

House Amendment 1703

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1 1 Amend House File 882, as amended, passed, and
1 2 reprinted by the House, as follows:
1 3 #1. Page 4, by inserting after line 22, the
1 4 following:
1 5 <Sec. _____. Section 8.8, Code 2005, is amended to
1 6 read as follows:
1 7 8.8 SPECIAL OLYMPICS FUND == APPROPRIATION.
1 8 A special olympics fund is created in the office of
1 9 the treasurer of state under the control of the
1 10 department of management. There is appropriated
1 11 annually from the general fund of the state to the
1 12 special olympics fund ~~thirty~~ fifty thousand dollars
1 13 for distribution to one or more organizations which
1 14 administer special olympics programs benefiting the
1 15 citizens of Iowa with disabilities.>
1 16 #2. Page 5, by inserting after line 11 the
1 17 following:
1 18 <Sec. _____. DEPARTMENT OF CULTURAL AFFAIRS ==
1 19 NONPROFIT MUSIC ENTITIES. There is appropriated from
1 20 the general fund of the state to the department of
1 21 cultural affairs for the fiscal year beginning July 1,
1 22 2005, and ending June 30, 2006, fifty thousand dollars
1 23 for purposes of providing two twenty-five thousand
1 24 dollar grants to nonprofit music entities. A
1 25 recipient of a grant shall be a nonprofit entity that
1 26 is formed with members including local musicians,
1 27 music promoters, representatives of music venues and
1 28 businesses, community leaders, and live music
1 29 enthusiasts who discuss, assess, and expedite the
1 30 implementation of a unified music agenda for a local
1 31 community and aggressively advocates, sponsors, and
1 32 develops an independent, progressive live music
1 33 economy in a local community.>
1 34 #3. Page 5, line 20, by striking the figure
1 35 <100,000> and inserting the following: <160,000>.
1 36 #4. Page 5, by striking lines 21 through 29.
1 37 #5. Page 5, lines 31 and 32, by striking the words
1 38 <state department of transportation> and inserting the
1 39 following: <homeland security and emergency
1 40 management division of the department of public
1 41 safety>.
1 42 #6. Page 6, by striking lines 2 through 19.
1 43 #7. Page 6, by inserting before line 20, the
1 44 following:
1 45 <Sec. _____. TRANSITIONAL HOUSING REVOLVING LOAN
1 46 PROGRAM FUND == TRANSFER. Of the amount appropriated
1 47 from the general fund of the state to the department
1 48 of human services for the fiscal year beginning July
1 49 1, 2005, and ending June 30, 2006, for purposes of
1 50 child and family services in 2005 Iowa Acts, House
2 1 File 825, if enacted, \$1,400,000 is transferred to the
2 2 transitional housing revolving loan program fund
2 3 created in section 16.184, if enacted by 2005 Iowa
2 4 Acts, House File 825, to be used for purposes of that
2 5 fund. The transfer shall be completed on or before
2 6 August 1, 2005.
2 7 Sec. _____. HEALTHY IOWANS TOBACCO TRUST == AIDS
2 8 DRUG ASSISTANCE PROGRAM. There is appropriated from
2 9 the healthy Iowans tobacco trust created in section
2 10 12.65 to the Iowa department of public health for the
2 11 fiscal year beginning July 1, 2005, and ending June
2 12 30, 2006, the following amount, or so much thereof as
2 13 is necessary, to be used for the purpose designated:
2 14 For additional funding to leverage federal funding
2 15 through the federal Ryan White Care Act, Title II,
2 16 AIDS drug assistance program supplemental drug
2 17 treatment grants:
2 18 \$ 275,000
2 19 Sec. _____. GREAT PLACES. There is appropriated
2 20 from the general fund of the state to the department
2 21 of cultural affairs for the fiscal year beginning July
2 22 1, 2004, and ending June 30, 2005, the following
2 23 amount, or so much thereof as is necessary, to be used
2 24 for the purposes designated:

2 25 GREAT PLACES. For salaries, support, maintenance,
 2 26 and miscellaneous purposes:
 2 27 \$ 100,000
 2 28 Notwithstanding section 8.33, any moneys
 2 29 appropriated in this section that remain unencumbered
 2 30 or unobligated at the close of the fiscal year shall
 2 31 not revert but shall remain available for expenditure
 2 32 for the purposes designated until the close of the
 2 33 succeeding fiscal year.
 2 34 Sec. ____ IOWA LEARNING TECHNOLOGY. There is
 2 35 appropriated from the general fund of the state to the
 2 36 department of education for the fiscal year beginning
 2 37 July 1, 2005, and ending June 30, 2006, the following
 2 38 amount, or so much thereof as is necessary, to be used
 2 39 for the purpose designated:
 2 40 For implementation of the provisions of Code
 2 41 chapter 280A, as amended by 2005 Iowa Acts, House File
 2 42 739, if enacted:
 2 43 \$ 500,000
 2 44 Sec. ____ UNDERGROUND STORAGE TANK FUND == GENERAL
 2 45 FUND. Notwithstanding section 455G.3, subsection 1,
 2 46 there is transferred from the Iowa comprehensive
 2 47 petroleum underground storage tank fund created in
 2 48 section 455G.3, subsection 1, to the general fund of
 2 49 the state during the fiscal year beginning July 1,
 2 50 2005, and ending June 30, 2006, the following amount:
 3 1 \$ 500,000
 3 2 Sec. ____ UNDERGROUND STORAGE TANK FUND ==
 3 3 WATERSHED IMPROVEMENT FUND == FY 2005=2006.
 3 4 Notwithstanding section 455G.3, subsection 1, there is
 3 5 appropriated from the Iowa comprehensive petroleum
 3 6 underground storage tank fund created in section
 3 7 455G.3, subsection 1, to the Iowa finance authority
 3 8 during the fiscal year beginning July 1, 2005, and
 3 9 ending June 30, 2006, the following amount, or so much
 3 10 thereof as is necessary, to be used for the purpose
 3 11 designated:
 3 12 For deposit in the watershed improvement fund
 3 13 created in 2005 Iowa Acts, Senate File 200, if
 3 14 enacted:
 3 15 \$ 4,500,000
 3 16 The moneys deposited in the watershed improvement
 3 17 fund pursuant to this section are appropriated to the
 3 18 Iowa finance authority for the fiscal year beginning
 3 19 July 1, 2005, and ending June 30, 2006, to be used as
 3 20 provided in section 16.185, if enacted by 2005 Iowa
 3 21 Acts, Senate File 200. The appropriations made in this
 3 22 section are contingent upon the enactment of 2005 Iowa
 3 23 Acts, Senate File 200, and the creation of the
 3 24 watershed improvement fund in accordance with section
 3 25 16.185, if enacted by 2005 Iowa Acts, Senate File 200.
 3 26 Sec. ____ UNDERGROUND STORAGE TANK FUND ==
 3 27 WATERSHED IMPROVEMENT FUND == FY 2006=2007.
 3 28 Notwithstanding section 455G.3, subsection 1, there is
 3 29 appropriated from the Iowa comprehensive petroleum
 3 30 underground storage tank fund created in section
 3 31 455G.3, subsection 1, to the Iowa finance authority
 3 32 during the fiscal year beginning July 1, 2006, and
 3 33 ending June 30, 2007, the following amount, or so much
 3 34 thereof as is necessary, to be used for the purpose
 3 35 designated:
 3 36 For deposit in the watershed improvement fund
 3 37 created in 2005 Iowa Acts, Senate File 200, if
 3 38 enacted:
 3 39 \$ 5,000,000
 3 40 The moneys deposited in the watershed improvement
 3 41 fund pursuant to this section are appropriated to the
 3 42 Iowa finance authority for the fiscal year beginning
 3 43 July 1, 2006, and ending June 30, 2007, to be used as
 3 44 provided in section 16.185, if enacted by 2005 Iowa
 3 45 Acts, Senate File 200. The appropriations made in
 3 46 this section are contingent upon the enactment of 2005
 3 47 Iowa Acts, Senate File 200, and the creation of the
 3 48 watershed improvement fund in accordance with section
 3 49 16.185, if enacted by 2005 Iowa Acts, Senate File 200.
 3 50 Sec. ____ GROW IOWA VALUES FUND == FY 2004=2005.
 4 1 There is appropriated from the general fund of the
 4 2 state to the department of economic development for
 4 3 the fiscal year beginning July 1, 2004, and ending
 4 4 June 30, 2005, the following amount, or so much
 4 5 thereof as is necessary, to be used for the purpose

4 6 designated:
4 7 To be credited to the grow Iowa values fund created
4 8 in section 15G.108, if enacted by 2005 Iowa Acts,
4 9 House File 868:
4 10 \$ 25,000,000
4 11 Notwithstanding section 8.33, moneys appropriated
4 12 in this section that remain unencumbered or
4 13 unobligated at the close of the fiscal year shall not
4 14 revert but shall remain available for expenditure for
4 15 the purpose designated until the close of the
4 16 succeeding fiscal year. The appropriation made in
4 17 this section shall be distributed and credited to the
4 18 grow Iowa values fund on July 1, 2005.
4 19 Sec. ____ GROW IOWA VALUES FUND == FY 2005=2006.
4 20 There is appropriated from the general fund of the
4 21 state for the fiscal year beginning July 1, 2005, and
4 22 ending June 30, 2006, to the department of economic
4 23 development in lieu of the appropriation made from the
4 24 general fund of the state in section 15G.110, if
4 25 enacted by 2005 Iowa Acts, House File 809, for the
4 26 fiscal year beginning July 1, 2005, and ending June
4 27 30, 2006, to be used for the purpose designated:
4 28 For deposit in the grow Iowa values fund created in
4 29 section 15G.108, if enacted by 2005 Iowa Acts, House
4 30 File 868:
4 31 \$ 25,000,000>
4 32 #8. Page 6, by striking lines 20 through 30.
4 33 #9. Page 7, by striking lines 1 through 20.
4 34 #10. By striking page 7, line 21, through page 9,
4 35 line 32.
4 36 #11. By striking page 9, line 33, through page 11,
4 37 line 16.
4 38 #12. Page 11, by inserting before line 17, the
4 39 following:
4 40 <Sec. ____ NATIONAL GOVERNORS ASSOCIATION MEETING.
4 41 2004 Iowa Acts, chapter 1175, section 12, subsection
4 42 4, AS AMENDED BY 2005 Iowa Acts, House File 810, if
4 43 enacted, is amended to read as follows:
4 44 4. NATIONAL GOVERNORS ASSOCIATION
4 45 For payment of Iowa's membership in the national
4 46 governors association:
4 47 \$ ~~364,393~~
4 48 264,393
4 49 Of the funds appropriated in this subsection,
4 50 ~~\$300,000~~ \$200,000 is allocated for security-related
5 1 costs and other expenses associated with the national
5 2 governors association national meeting.
5 3 Notwithstanding section 8.33, the moneys allocated for
5 4 the meeting that remain unencumbered or unobligated at
5 5 the close of the fiscal year shall not revert but
5 6 shall remain available for expenditure for the
5 7 purposes designated until the close of the succeeding
5 8 fiscal year.
5 9 Sec. ____ 2005 Iowa Acts, House File 881, section
5 10 5, unnumbered paragraphs 1 and 2, if enacted, are
5 11 amended to read as follows:
5 12 There is appropriated from the general fund of the
5 13 state to the salary adjustment fund for distribution
5 14 by the department of management to the various state
5 15 departments, boards, commissions, councils, and
5 16 agencies, excluding the state board of regents, for
5 17 the fiscal year beginning July 1, 2005, and ending
5 18 June 30, 2006, the amount of ~~\$38,500,000~~ 43,300,000,
5 19 or so much thereof as may be necessary, to fully fund
5 20 annual pay adjustments, expense reimbursements, and
5 21 related benefits implemented pursuant to the
5 22 following:
5 23 Of the amount appropriated in this section,
5 24 ~~\$4,880,000~~ 5,488,000 shall be allocated to the
5 25 judicial branch for the purpose of funding annual pay
5 26 adjustments, expense reimbursements, and related
5 27 benefits implemented for judicial branch employees.>
5 28 #13. By striking page 12, line 18, through page
5 29 13, line 4.
5 30 #14. Page 13, by inserting after line 21, the
5 31 following:
5 32 <Sec. ____ MEDICAL ASSISTANCE APPROPRIATION. If
5 33 2005 Iowa Acts, House File 825, is enacted and
5 34 provides for an appropriation from the general fund of
5 35 the state to the department of human services for the
5 36 fiscal year beginning July 1, 2005, and ending June

5 37 30, 2006, for the medical assistance program, there is
 5 38 appropriated from the general fund of the state, in
 5 39 lieu of such appropriation in 2005 Iowa Acts, House
 5 40 File 825, the following amount, or so much thereof as
 5 41 is necessary:
 5 42 For purposes of the medical assistance program in
 5 43 accordance with the provisions of 2005 Iowa Acts,
 5 44 House File 825, as enacted:
 5 45 \$509,416,519
 5 46 Sec. ____ SENIOR LIVING TRUST FUND APPROPRIATION.
 5 47 If 2005 Iowa Acts, House File 825, is enacted and
 5 48 provides for an appropriation from the senior living
 5 49 trust fund to the department of human services for the
 5 50 fiscal year beginning July 1, 2005, and ending June
 6 1 30, 2006, to supplement the medical assistance
 6 2 appropriation, there is appropriated from the senior
 6 3 living trust fund, in lieu of such appropriation in
 6 4 2005 Iowa Acts, House File 825, the following amount,
 6 5 or so much thereof as is necessary:
 6 6 For purposes of supplementation of the medical
 6 7 assistance appropriation in accordance with the
 6 8 provisions of 2005 Iowa Acts, House File 825, as
 6 9 enacted:
 6 10 \$ 75,253,926
 6 11 Sec. ____ JUVENILE HOME AT TOLEDO. If 2005 Iowa
 6 12 Acts, House File 875, is enacted and provides for an
 6 13 appropriation from the rebuild Iowa infrastructure
 6 14 fund to the department of administrative services for
 6 15 the fiscal year beginning July 1, 2005, and ending
 6 16 June 30, 2006, for powerhouse facilities at the
 6 17 juvenile home at Toledo, there is appropriated from
 6 18 the rebuild Iowa infrastructure fund in lieu of such
 6 19 appropriation in 2005 Iowa Acts, House File 875, the
 6 20 following amount, or so much thereof as is necessary:
 6 21 For the costs associated with the replacement of
 6 22 the powerhouse facilities at the juvenile home at
 6 23 Toledo:
 6 24 \$ 861,045
 6 25 Sec. ____ ENRICH IOWA LIBRARIES PROGRAM. If 2005
 6 26 Iowa Acts, House File 875, is enacted and provides for
 6 27 an appropriation from the rebuild Iowa infrastructure
 6 28 fund to the department of education for the fiscal
 6 29 year beginning July 1, 2005, and ending June 30, 2006,
 6 30 for resources for local libraries and the enrich Iowa
 6 31 program, there is appropriated from the rebuild Iowa
 6 32 infrastructure fund in lieu of such appropriation in
 6 33 2005 Iowa Acts, House File 875, the following amount,
 6 34 or so much thereof as is necessary:
 6 35 To provide resources for structural and
 6 36 technological improvements to local libraries and for
 6 37 the enrich Iowa program, notwithstanding section 8.57,
 6 38 subsection 6, paragraph "c":
 6 39 \$ 900,000
 6 40 Sec. ____ NATIONAL PROGRAM FOR PLAYGROUND SAFETY.
 6 41 If 2005 Iowa Acts, House File 875, is enacted and
 6 42 provides for an appropriation from the rebuild Iowa
 6 43 infrastructure fund to the university of northern Iowa
 6 44 for the fiscal year beginning July 1, 2005, and ending
 6 45 June 30, 2006, for the national program for playground
 6 46 safety, there is appropriated from the rebuild Iowa
 6 47 infrastructure fund in lieu of such appropriation in
 6 48 2005 Iowa Acts, House File 875, the following amount,
 6 49 or so much thereof as is necessary:
 6 50 For the Iowa safe surfacing initiative,
 7 1 notwithstanding section 8.57, subsection 6, paragraph
 7 2 "c":
 7 3 \$ 500,000
 7 4 Sec. ____ JUVENILE HOME AT TOLEDO. If 2005 Iowa
 7 5 Acts, House File 875, is enacted and provides for an
 7 6 appropriation from the rebuild Iowa infrastructure
 7 7 fund to the department of administrative services for
 7 8 the fiscal year beginning July 1, 2006, and ending
 7 9 June 30, 2007, for powerhouse facilities at the
 7 10 juvenile home at Toledo, there is appropriated from
 7 11 the rebuild Iowa infrastructure fund in lieu of such
 7 12 appropriation in 2005 Iowa Acts, House File 875, the
 7 13 following amount, or so much thereof as is necessary:
 7 14 For the costs associated with the replacement of
 7 15 the powerhouse facilities at the juvenile home at
 7 16 Toledo:
 7 17 \$ 1,821,045>

7 18 #15. Page 13, line 23, by striking the figure <1>.
7 19 #16. Page 13, by striking lines 27 through 33.
7 20 #17. Page 13, by inserting before line 34, the
7 21 following:
7 22 <___. The section of this division of this Act
7 23 providing an appropriation from the general fund of
7 24 the state to the department of economic development
7 25 for the fiscal year beginning July 1, 2004, for
7 26 deposit in the grow Iowa values fund, is contingent
7 27 upon enactment of the provisions of 2005 Iowa Acts,
7 28 House File 809, enacting section 15G.110, and 2005
7 29 Iowa Acts, House File 868, enacting section 15G.108,
7 30 and being deemed of immediate importance, takes effect
7 31 upon enactment.
7 32 _____. The sections of this division of this Act
7 33 appropriating moneys to the department of cultural
7 34 affairs for great places and amending 2004 Iowa Acts,
7 35 chapter 1175, section 12, subsection 4, being deemed
7 36 of immediate importance, take effect upon enactment.>
7 37 #18. Page 13, by inserting after line 35 the
7 38 following:
7 39 <Sec. _____. Section 8D.2, subsection 5, paragraph
7 40 b, Code 2005, is amended to read as follows:
7 41 b. For the purposes of this chapter, "public
7 42 agency" also includes any homeland security or defense
7 43 facility or disaster response agency established by
7 44 the administrator of the homeland security and
7 45 emergency management division of the department of
7 46 public defense or the governor or any facility
7 47 connected with a security or defense system or
7 48 disaster response as required by the administrator of
7 49 the homeland security and emergency management
7 50 division of the department of public defense or the
8 1 governor.
8 2 Sec. _____. Section 8D.9, subsection 3, Code 2005,
8 3 is amended to read as follows:
8 4 3. A facility that is considered a public agency
8 5 pursuant to section 8D.2, subsection 5, paragraph "b",
8 6 shall be authorized to access the Iowa communications
8 7 network strictly for homeland security communication
8 8 purposes and disaster communication purposes. Any
8 9 utilization of the network that is not related to
8 10 communications concerning homeland security or a
8 11 disaster, as defined in section 29C.2, is expressly
8 12 prohibited. Access under this subsection shall be
8 13 available only if a state of disaster emergency is
8 14 proclaimed by the governor pursuant to section 29C.6
8 15 or a homeland security or disaster event occurs
8 16 requiring connection of disparate communications
8 17 systems between public agencies to provide for a
8 18 multi-agency or multi-jurisdictional response. Access
8 19 shall continue only for the period of time the
8 20 homeland security or disaster event exists. For
8 21 purposes of this subsection, disaster communication
8 22 purposes includes training and exercising for a
8 23 disaster if public notice of the training and
8 24 exercising session is posted on the website of the
8 25 homeland security and emergency management division of
8 26 the department of public defense. A scheduled and
8 27 noticed training and exercising session shall not
8 28 exceed five days. Interpretation and application of
8 29 the provisions of this subsection shall be strictly
8 30 construed.>
8 31 #19. By striking page 14, line 1, through page 15,
8 32 line 17.
8 33 #20. Page 18, by inserting after line 11, the
8 34 following:
8 35 <Sec. _____. NEW SECTION. 16.191 NEW GROWTH
8 36 PROGRAM.
8 37 1. The authority shall establish and administer a
8 38 new growth program for purposes of providing financial
8 39 assistance to encourage entrepreneurial activity in
8 40 rural and urban areas in the state.
8 41 2. The authority shall identify twenty communities
8 42 in the state to serve as new growth program
8 43 communities. A community may consist of a city or
8 44 county, or a portion of a city or county. Not more
8 45 than five of the new growth program communities shall
8 46 be located in cities with a population of fifty
8 47 thousand or greater.
8 48 3. The authority shall identify a facilitator.

8 49 The facilitator shall be a statewide, faith-based
8 50 organization for purposes of facilitating the
9 1 activities in each new growth program community. The
9 2 activities shall be structured around fifteen meetings
9 3 designed to bring local entrepreneurs and business
9 4 development entities together to exchange information
9 5 on product and service research, business planning,
9 6 finance and credit, licensing and regulations, use of
9 7 technology, business practices, product development
9 8 and testing, and marketing.

9 9 4. The authority may provide financial assistance
9 10 to the facilitator for each new growth program
9 11 community. The authority shall not provide more than
9 12 ten thousand dollars in financial assistance to the
9 13 facilitator for each new growth program community. In
9 14 order to receive the maximum amount of financial
9 15 assistance, the facilitator must secure ten thousand
9 16 dollars in local financial assistance and ten thousand
9 17 dollars worth of in-kind contributions.>

9 18 #21. Page 18, by inserting after line 30, the
9 19 following:

9 20 <Sec. _____. Section 331.439, Code 2005, is amended
9 21 by adding the following new subsection:

9 22 NEW SUBSECTION. 9. The county management plan
9 23 shall designate at least one hospital licensed under
9 24 chapter 135B that the county has contracted with to
9 25 provide services covered under the plan. If the
9 26 designated hospital does not have a bed available to
9 27 provide the services, the county is responsible for
9 28 the cost of covered services provided at an alternate
9 29 hospital licensed under chapter 135B.

9 30 Sec. _____. Section 364.17, subsection 3, paragraph
9 31 a, Code 2005, is amended to read as follows:

9 32 a. A schedule of civil penalties or criminal fines
9 33 for violations. A city may charge the owner of
9 34 housing a late payment fee of twenty-five dollars and
9 35 may add interest of up to one and one-half percent per
9 36 month if a penalty or fine imposed under this
9 37 paragraph is not paid within thirty days of the date
9 38 that the penalty or fine is due. The city shall send
9 39 a notice of the late payment fee to such owner by
9 40 first class mail to the owner's personal or business
9 41 mailing address. The late payment fee and the
9 42 interest shall not accrue if such owner files an
9 43 appeal with either the city, if the city has
9 44 established an appeals procedure, or the district
9 45 court. Any unpaid penalty, fine, fee, or interest
9 46 shall constitute a lien on the real property and may
9 47 be collected in the same manner as a property tax.
9 48 However, before a lien is filed, the city shall send a
9 49 notice of intent to file a lien to the owner of the
9 50 housing by first class mail to such owner's personal
10 1 or business mailing address.

10 2 Sec. _____. Section 364.17, subsection 5, Code 2005,
10 3 is amended to read as follows:

10 4 5. Cities may establish reasonable fees for
10 5 inspection and enforcement procedures. A city may
10 6 charge the owner of housing a late payment penalty of
10 7 twenty-five dollars and may add interest of up to one
10 8 and one-half percent per month if a fee imposed under
10 9 this subsection is not paid within thirty days of the
10 10 date that the fee is due. The city shall send a
10 11 notice of the late payment penalty to such owner by
10 12 first class mail to the owner's personal or business
10 13 mailing address. The late payment penalty and the
10 14 interest shall not accrue if such owner files an
10 15 appeal with either the city, if the city has
10 16 established an appeals procedure, or the district
10 17 court. Any unpaid fee, penalty, or interest shall
10 18 constitute a lien on the real property and may be
10 19 collected in the same manner as a property tax.
10 20 However, before a lien is filed, the city shall send a
10 21 notice of intent to file a lien to the owner of the
10 22 housing by first class mail to such owner's personal
10 23 or business mailing address.

10 24 Sec. _____. Section 384.16, subsection 1, unnumbered
10 25 paragraph 2, Code 2005, is amended to read as follows:

10 26 A budget must show comparisons between the
10 27 estimated expenditures in each program in the
10 28 following year ~~and the actual expenditures in each~~
10 29 ~~program during the two preceding years, the latest~~

10 30 estimated expenditures in each program in the current
10 31 year, and the actual expenditures in each program from
10 32 the annual report as provided in section 384.22, or as
10 33 corrected by a subsequent audit report. Wherever
10 34 practicable, as provided in rules of the committee, a
10 35 budget must show comparisons between the levels of
10 36 service provided by each program as estimated for the
10 37 following year, and actual levels of service provided
10 38 by each program during the two preceding years.
10 39 Sec. _____. Section 384.16, Code 2005, is amended by
10 40 adding the following new subsection:
10 41 NEW SUBSECTION. 7. A city that does not submit a
10 42 budget in compliance with this section shall have all
10 43 state funds withheld until a budget that is in
10 44 compliance with this section is filed with the county
10 45 auditor and subsequently received by the department of
10 46 management. The department of management shall send
10 47 notice to state agencies responsible for disbursement
10 48 of state funds and that notice is sufficient
10 49 authorization for those funds to be withheld until
10 50 later notice is given by the department of management
11 1 to release those funds.>
11 2 #22. Page 20, by inserting after line 34, the
11 3 following:
11 4 <Sec. _____. Section 427.1, subsection 21, Code
11 5 2005, is amended to read as follows:
11 6 21. LOW=RENT HOUSING. The property owned and
11 7 operated or controlled by a nonprofit organization, as
11 8 recognized by the internal revenue service, providing
11 9 low-rent housing for persons who are elderly and
11 10 persons with physical and mental disabilities. The
11 11 exemption granted under the provisions of this
11 12 subsection shall apply only until the terms final
11 13 payment due date of the borrower's original low-rent
11 14 housing development mortgage or until the borrower's
11 15 original low-rent housing development mortgage is paid
11 16 in full or expires, whichever is sooner, subject to
11 17 the provisions of subsection 14. However, if the
11 18 borrower's original low-rent housing development
11 19 mortgage is refinanced, the exemption shall apply only
11 20 until the date that would have been the final payment
11 21 due date under the terms of the borrower's original
11 22 low-rent housing development mortgage or until the
11 23 refinanced mortgage is paid in full or expires,
11 24 whichever is sooner, subject to the provisions of
11 25 subsection 14.>
11 26 #23. Page 21, by inserting after line 8, the
11 27 following:
11 28 Sec. _____. Section 427.1, subsection 30, Code 2005,
11 29 is amended to read as follows:
11 30 30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME
11 31 PARK STORM SHELTER. A structure constructed as a
11 32 storm shelter at a manufactured home community or
11 33 mobile home park as defined in section 435.1. An
11 34 application for this exemption shall be filed with the
11 35 assessing authority not later than February 1 of the
11 36 first year for which the exemption is requested, on
11 37 forms provided by the department of revenue. The
11 38 application shall describe and locate the storm
11 39 shelter to be exempted. If the storm shelter
11 40 structure is used exclusively as a storm shelter, all
11 41 of the structure's assessed value shall be exempt from
11 42 taxation. If the storm shelter structure is not used
11 43 exclusively as a storm shelter, the storm shelter
11 44 structure shall be assessed for taxation at ~~seventy=~~
11 45 ~~five fifty~~ percent of its value as commercial
11 46 property.>
11 47 #24. Page 21, by inserting after line 31 the
11 48 following:
11 49 <Sec. _____. Section 459.301, Code 2005, is amended
11 50 by adding the following new subsection:
12 1 NEW SUBSECTION. 3A. For purposes of complying
12 2 with requirements relating to submitting a manure
12 3 management plan as required in section 459.312, a
12 4 confinement feeding operation housing poultry which
12 5 was regulated as a small animal feeding operation
12 6 prior to April 29, 2002, shall be deemed to be a small
12 7 animal feeding operation as provided in section
12 8 459.312, if the animal weight capacity of the
12 9 confinement feeding operation has not increased since
12 10 April 29, 2002.

12 11 Sec. _____. Section 463C.11, subsection 1, if
12 12 enacted by 2005 Iowa Acts, House File 875, is amended
12 13 to read as follows:

12 14 1. The honey creek premier destination park bond
12 15 fund is established as a separate and distinct fund in
12 16 the state treasury consisting of honey creek premier
12 17 destination park revenues, any moneys appropriated by
12 18 the general assembly to the fund, and any other moneys
12 19 available to and obtained or accepted by the authority
12 20 for placement in the fund. The moneys in the fund
12 21 shall be used to develop the honey creek premier
12 22 destination park in the state by funding the
12 23 development and construction of facilities in the park
12 24 including but not limited to lodges, campgrounds,
12 25 cabins, and golf courses. The treasurer of state is
12 26 authorized to establish separate and distinct accounts
12 27 within the honey creek premier destination park bond
12 28 fund in connection with the issuance of the
12 29 authority's bonds in accordance with the trust
12 30 indenture or resolution authorizing the bonds and the
12 31 authority is authorized to determine which revenues
12 32 and accounts shall be pledged as security for the
12 33 bonds. Amounts deposited in the honey creek premier
12 34 destination park bond fund shall be deposited in the
12 35 separate and distinct accounts as set forth in the
12 36 trust indenture or resolution authorizing the bonds.
12 37 The authority is authorized to pledge and use the
12 38 gross revenues from the honey creek premier
12 39 destination park to and for payment of the bonds.
12 40 Revenues may also be used for the payment of
12 41 insurance, other credit enhancements, and other
12 42 financing arrangements. Operating expenses of the
12 43 honey creek premier destination park may be paid from
12 44 the revenues to the extent the revenues exceed the
12 45 amount determined by the authority to be necessary for
12 46 debt service on the bonds.

12 47 Sec. _____. Section 463C.13, subsection 4, if
12 48 enacted by 2005 Iowa Acts, House File 875, is amended
12 49 to read as follows:

12 50 4. To assure the continued operation and solvency
13 1 of the authority for the carrying out of its corporate
13 2 purposes, provision is made in subsection 1 for the
13 3 accumulation in each bond reserve fund of an amount
13 4 equal to the bond reserve fund requirement for the
13 5 fund. In order further to assure maintenance of the
13 6 bond reserve funds, the chairperson of the authority
13 7 shall, on or before ~~July~~ January 1 of each calendar
13 8 year, make and deliver to the governor the
13 9 chairperson's certificate stating the sum, if any,
13 10 required to restore each bond reserve fund to the bond
13 11 reserve fund requirement for that fund. Within thirty
13 12 days after the beginning of the session of the general
13 13 assembly next following the delivery of the
13 14 certificate, the governor ~~may~~ shall submit to both
13 15 houses printed copies of a budget including the sum,
13 16 if any, required to restore each bond reserve fund to
13 17 the bond reserve fund requirement for that fund. Any
13 18 sums appropriated by the general assembly and paid to
13 19 the authority pursuant to this section shall be
13 20 deposited by the authority in the applicable bond
13 21 reserve fund.

13 22 Sec. _____. Section 476C.1, subsection 6, paragraph
13 23 b, if enacted by 2005 Iowa Acts, Senate File 390,
13 24 section 7, is amended by adding the following new
13 25 subparagraph:

13 26 (8) A community college as defined in section
13 27 260C.2.

13 28 Sec. _____. Section 476C.1, subsection 6, paragraph
13 29 d, if enacted by 2005 Iowa Acts, Senate File 390,
13 30 section 7, is amended to read as follows:

13 31 d. Was initially placed into service on or after
13 32 ~~July~~ January 1, 2005, and before January 1, 2011.

13 33 Sec. _____. Section 537.2401, subsection 1, Code
13 34 2005, is amended to read as follows:

13 35 1. Except as provided with respect to a finance
13 36 charge for loans pursuant to open end credit under
13 37 section 537.2402 and loans secured by a certificate of
13 38 title of a motor vehicle under section 537.2403, a
13 39 lender may contract for and receive a finance charge
13 40 not exceeding the maximum charge permitted by the laws
13 41 of this state or of the United States for similar

lenders, and, in addition, with respect to a consumer loan, a supervised financial organization or a mortgage lender may contract for and receive a finance charge, calculated according to the actuarial method, not exceeding twenty-one percent per year on the unpaid balance of the amount financed. ~~This Except as provided in section 537.2403, this subsection does not~~ prohibit a lender from contracting for and receiving a finance charge exceeding twenty-one percent per year on the unpaid balance of the amount financed on consumer loans if authorized by other provisions of the law.

Sec. _____. Section 537.2402, subsection 1, Code 2005, is amended to read as follows:

1. If authorized to make supervised loans, a creditor may contract for and receive a finance charge without limitation as to amount or rate with respect to a loan pursuant to open-end credit as permitted in this section except as provided in section 537.2403.

Sec. _____. NEW SECTION. 537.2403 FINANCE CHARGE FOR CONSUMER LOANS SECURED BY A MOTOR VEHICLE.

1. A lender shall not contract for or receive a finance charge exceeding twenty-one percent per year on the unpaid balance of the amount financed for a loan of money secured by a certificate of title to a motor vehicle used for personal, family, or household purpose except as authorized under chapter 536 or 536A. A consumer who is charged a finance charge in excess of the limitation in this section may seek any remedies available pursuant to this chapter for an excess charge.

2. It shall be a violation of this section and an unlawful practice under section 714.16 to attempt to avoid application of this section by structuring a loan of money secured by certificate of title to a motor vehicle as a sale, sale and repurchase, sale and lease, pawn, rental purchase, lease, or other type of transaction with the intent to avoid application of this section or any other applicable provision of this chapter.>

#25. Page 23, by inserting after line 35, the following:

<Sec. _____. Section 602.10110, Code 2005, is amended to read as follows:

602.10110 OATH.

All persons on being admitted to the bar shall take an oath or affirmation, as promulgated by the supreme court, declaring to support the Constitutions of the United States and of the state of Iowa, and to faithfully discharge, according to the best of their ability, the duties of an attorney and counselor of ~~this state according to the best of their ability.~~

Sec. _____. Section 602.10112, Code 2005, is repealed.

Sec. _____. 2005 Iowa Acts, House File 825, section 29, subsection 1, paragraph 1, if enacted, relating to reimbursement under the medical assistance program to physicians who administer injectable drugs, is amended by striking the paragraph.

Sec. _____. NEW GROWTH PROGRAM. There is appropriated from the general fund of the state to the Iowa finance authority, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, two hundred thousand dollars, or so much thereof as is necessary, to be used for the new growth program established in section 16.191, if enacted in this division of this Act.>

#26. Page 24, by inserting before line 1, the following:

<Sec. _____. VEHICLE DEALERSHIP STUDY. The legislative council is requested to appoint an interim study committee that will study the motor vehicle licensing law as it pertains to motor vehicle dealerships' moves from one facility and location to another facility and location in the state. A report should be provided to the general assembly by January 15, 2006.>

#27. Page 24, line 18, by striking the word <section> and inserting the following: <sections>.

#28. Page 24, line 19, by inserting after the word <Act> the following: <amending section 427.1,

15 23 subsection 21, and>.
 15 24 #29. Page 24, line 20, by striking the words <a
 15 25 property tax exemption> and inserting the following:
 15 26 <property tax exemptions>.
 15 27 #30. Page 24, by inserting after line 21, the
 15 28 following:
 15 29 <Sec. _____. RETROACTIVE APPLICABILITY DATE. The
 15 30 section of this division of this Act amending section
 15 31 423E.5, being deemed of immediate importance, takes
 15 32 effect upon enactment and applies retroactively to
 15 33 July 1, 2004.
 15 34 Sec. _____. EFFECTIVE AND APPLICABILITY DATES. The
 15 35 sections of this division of this Act amending section
 15 36 427.1, subsection 21, and enacting new subsection 21A
 15 37 to section 427.1, being deemed of immediate
 15 38 importance, take effect upon enactment and apply
 15 39 retroactively to January 1, 2005, for assessment years
 15 40 beginning on or after that date.
 15 41 Sec. _____. APPLICABILITY. Section 25B.7 does not
 15 42 apply to the amendment to section 427.1, subsection
 15 43 30, in this division of this Act.
 15 44 Sec. _____. EFFECTIVE DATE. The sections of this
 15 45 division of this Act amending section 476C.1, if
 15 46 enacted, being deemed of immediate importance, take
 15 47 effect upon enactment and are applicable beginning on
 15 48 the enactment date of 2005 Iowa Acts, Senate File 390,
 15 49 if enacted.>
 15 50 #31. Page 24, by inserting after line 27, the
 16 1 following:
 16 2 <Sec. _____. EFFECTIVE DATE. The sections of this
 16 3 division of this Act amending section 602.10110 and
 16 4 repealing section 602.10112, being deemed of immediate
 16 5 importance, take effect upon enactment.>
 16 6 #32. Page 24, by inserting after line 29, the
 16 7 following:
 16 8 <Sec. _____. CRIMINAL CODE REVISIONS INTERIM STUDY
 16 9 COMMITTEE. There is appropriated from the general
 16 10 fund of the state to the legislative council for the
 16 11 fiscal year beginning July 1, 2005, and ending June
 16 12 30, 2006, the following amount, or so much thereof as
 16 13 is necessary, to be used for the purpose designated:
 16 14 For a criminal code revisions interim study
 16 15 committee:
 16 16 \$ 75,000
 16 17 The funds appropriated in this section are
 16 18 contingent upon receipt by the general fund of the
 16 19 state of an amount not exceeding \$75,000 from costs or
 16 20 attorney fees awarded the state in settlement of its
 16 21 antitrust action against Microsoft brought under
 16 22 chapter 553. However, if the amounts received as a
 16 23 result of this settlement are in excess of \$75,000,
 16 24 the excess amounts shall not be appropriated to the
 16 25 legislative council pursuant to this section. If the
 16 26 appropriation made in this section occurs, the amount
 16 27 appropriated from the same source to the department of
 16 28 public safety for the same fiscal year to be used for
 16 29 vehicle depreciation, in accordance with 2005 Iowa
 16 30 Acts, House File 811, is reduced by \$75,000.>
 16 31 #33. By striking page 24, line 30, through page
 16 32 28, line 30, and inserting the following:
 16 33 <Sec. _____. 2005 Iowa Acts, House File 881, section
 16 34 1, subsection 2, if enacted, is amended to read as
 16 35 follows:
 16 36 2. The following annual salary rates shall be paid
 16 37 to the persons holding the judicial positions
 16 38 indicated during the fiscal year beginning July 1,
 16 39 2005, effective with the pay period beginning July 1,
 16 40 2005, and for subsequent pay periods.
 16 41 a. Chief justice of the supreme court:
 16 42 \$ ~~132,720~~
 16 43 146,000
 16 44 b. Each justice of the supreme court:
 16 45 \$ ~~128,000~~
 16 46 138,500
 16 47 c. Chief judge of the court of appeals:
 16 48 \$ ~~127,920~~
 16 49 134,600
 16 50 d. Each associate judge of the court of appeals:
 17 1 \$ ~~123,120~~
 17 2 129,600
 17 3 e. Each chief judge of a judicial district:

17	4	.....	\$	122,000
17	5			<u>126,000</u>
17	6	f. Each district judge except the chief judge of a		
17	7	judicial district:		
17	8	.....	\$	117,040
17	9			<u>121,000</u>
17	10	g. Each district associate judge:		
17	11	.....	\$	102,000
17	12			<u>105,500</u>
17	13	h. Each associate juvenile judge:		
17	14	.....	\$	102,000
17	15			<u>105,500</u>
17	16	i. Each associate probate judge:		
17	17	.....	\$	102,000
17	18			<u>105,500</u>
17	19	j. Each judicial magistrate:		
17	20	.....	\$	30,400
17	21			<u>31,500</u>
17	22	k. Each senior judge:		
17	23	.....	\$	6,800
17	24			<u>7,020</u>
17	25	Sec. ____ . YOUTH LEADERSHIP PROGRAM. There is		
17	26	appropriated from the general fund of the state to the		
17	27	department of corrections for the fiscal year		
17	28	beginning July 1, 2005, and ending June 30, 2006, the		
17	29	following amount, or so much thereof as is necessary,		
17	30	to be used for the purpose designated:		
17	31	For the sixth judicial district department of		
17	32	correctional services:		
17	33	.....	\$	100,000
17	34	The appropriation made in this section shall be		
17	35	used by the judicial district department of		
17	36	correctional services to establish or maintain a youth		
17	37	leadership model program to help at-risk youth in the		
17	38	judicial district department of correctional services.		
17	39	As a part of the program, the judicial district		
17	40	department of correctional services may recruit		
17	41	college or high school students in the judicial		
17	42	district to work with at-risk youth. The student		
17	43	workers shall be recruited regardless of gender, be		
17	44	recommended by their respective schools as good role		
17	45	models, including, but not limited to, students who		
17	46	possess capabilities in one or more of the following		
17	47	areas of ability: intellectual capacity, athletic,		
17	48	visual arts, or performing arts.		
17	49	Sec. ____ . FULL-TIME EQUIVALENT POSITIONS FOR THE		
17	50	DIVISION OF CRIMINAL INVESTIGATION AND BUREAU OF		
18	1	IDENTIFICATION. Notwithstanding the full-time		
18	2	equivalent positions authorization in the		
18	3	appropriation made for the fiscal year beginning July		
18	4	1, 2005, to the department of public safety for the		
18	5	division of criminal investigation and bureau of		
18	6	identification in 2005 Iowa Acts, House File 811, if		
18	7	enacted, the number of full-time equivalent positions		
18	8	is increased from 225.50 positions to 228.50		
18	9	positions.>		
18	10	<u>#34</u> . By striking page 35, line 25, through page		
18	11	36, line 25 and inserting the following:		
18	12	<Sec. ____ . COUNTY REAL ESTATE ELECTRONIC		
18	13	GOVERNMENT ADVISORY COMMITTEE.		
18	14	1. A county real estate electronic government		
18	15	advisory committee is created. Staffing services for		
18	16	the advisory committee shall be provided by the		
18	17	auditor of state. The advisory committee membership		
18	18	shall consist of the following:		
18	19	a. Two members selected by the Iowa state		
18	20	association of county auditors.		
18	21	b. Two members selected by the Iowa state county		
18	22	treasurers association.		
18	23	c. Two members selected by the Iowa county		
18	24	recorders association.		
18	25	d. Two members selected by the Iowa state		
18	26	association of assessors.		
18	27	e. One member selected by each of the following		
18	28	organizations:		
18	29	(1) Iowa state association of counties.		
18	30	(2) Iowa land title association.		
18	31	(3) Iowa bankers association.		
18	32	(4) Iowa credit union league.		
18	33	(5) Iowa state bar association.		
18	34	(6) Iowa association of realtors.		

18 35 2. The county real estate electronic government
18 36 advisory committee shall facilitate discussion to
18 37 integrate the county land record information system
18 38 created pursuant to section 331.605C with the
18 39 electronic government internet applications of county
18 40 treasurers, county recorders, county auditors, and
18 41 county assessors. The advisory committee shall file
18 42 an integration plan with the governor and the general
18 43 assembly on or before November 1, 2005.>
18 44 #35. By striking page 36, line 34, through page
18 45 37, line 2, and inserting the following: <of the
18 46 county land record information system. The Iowa
18 47 county recorders>.
18 48 #36. Page 37, by striking line 21, and inserting
18 49 the following: <documents in the county land record
18 50 information system until authorized by the>.
19 1 #37. Page 37, line 22, by inserting after the word
19 2 <assembly.> the following: <However, county recorders
19 3 may collect actual third-party fees associated with
19 4 accepting and processing statutorily authorized fees
19 5 including credit card fees, treasury management fees,
19 6 and other transaction fees required to enable
19 7 electronic payment. For the purposes of this
19 8 subsection, the term "third-party" does not include
19 9 the county land record information system, the Iowa
19 10 state association of counties, or any of the
19 11 association's affiliates.>
19 12 #38. Page 37, lines 24 and 25, by striking the
19 13 words <and the department of administrative services>.
19 14 #39. Page 37, by inserting after line 33, the
19 15 following:
19 16 <Sec. _____. DATA SECURITY AUDIT.
19 17 1. The Iowa county recorders association shall
19 18 select a vendor to conduct a data security audit of
19 19 the county land record information system created
19 20 pursuant to section 331.605C. The review and
19 21 assessment utilized in the audit shall include, but
19 22 are not limited to, a review of the functional and
19 23 system requirements, design documentation, software
19 24 code developed to support the business requirements,
19 25 operational procedures, financial flows including a
19 26 financial forecast, requests for proposals, and all
19 27 contracts.
19 28 2. The costs of the data security audit conducted
19 29 pursuant to subsection 1 shall be paid from moneys
19 30 appropriated to the treasurer of state pursuant to
19 31 section 331.605C.
19 32 3. The Iowa county recorders association shall
19 33 forward the complete results of the data security
19 34 audit to the government oversight committees of the
19 35 senate and the house of representatives and the
19 36 general assembly on or before December 1, 2005, and
19 37 the government oversight committees may request
19 38 additional updates.>
19 39 #40. Page 48, by inserting after line 23 the
19 40 following:
19 41 <Sec. _____. Section 805.8C, subsection 6, as
19 42 amended by 2005 Iowa Acts, Senate File 169, section 9,
19 43 is amended to read as follows:
19 44 6. PSEUDOEPHEDRINE SALES VIOLATIONS. For
19 45 violations of section 126.23A, subsection 1, by an
19 46 employee of a retailer, or for violations of section
19 47 126.23A, subsection 2, paragraph "a", by a purchaser,
19 48 the scheduled fine is as follows:
19 49 a. If the violation is a first offense, the
19 50 scheduled fine is one hundred dollars.
20 1 b. If the violation is a second offense, the
20 2 scheduled fine is two hundred fifty dollars.
20 3 c. If the violation is a third or subsequent
20 4 offense, the scheduled fine is five hundred dollars.>
20 5 #41. Page 48, by inserting after line 23, the
20 6 following:
20 7 <Sec. _____. 2005 Iowa Acts, House File 839, is
20 8 amended by adding the following new section:
20 9 SEC. _____. EFFECTIVE DATE. This Act, being deemed
20 10 of immediate importance, takes effect upon enactment
20 11 of 2005 Iowa Acts, House File 882.>
20 12 #42. Page 48, by inserting after line 26 the
20 13 following:
20 14 <DIVISION ____
20 15 STATE LIQUOR ACTIVITIES

20 16 Sec. _____. Section 123.53, subsection 3, Code 2005,
20 17 is amended to read as follows:

20 18 3. The treasurer of state shall transfer into a
20 19 special revenue account in the general fund of the
20 20 state, a sum of money at least equal to seven percent
20 21 of the gross amount of sales made by the division from
20 22 the beer and liquor control fund on a monthly basis
20 23 but not less than nine million dollars annually, ~~and~~
~~20 24 any amounts so. Of the amounts transferred, two~~
~~20 25 million dollars, plus an additional amount determined~~
~~20 26 by the general assembly, shall be used by appropriated~~
~~20 27 to the substance abuse division of the Iowa department~~
20 28 of public health to be used for substance abuse
20 29 treatment and prevention programs ~~in an amount~~
~~20 30 determined by the general assembly and any. Any~~
20 31 amounts received in excess of the amounts appropriated
20 32 to the substance abuse division of the Iowa department
20 33 of public health shall be considered part of the
20 34 general fund balance.

20 35 Sec. _____. ALCOHOLIC BEVERAGES DIVISION == STATE
20 36 LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The
20 37 department of administrative services shall issue a
20 38 request for proposals developed with the alcoholic
20 39 beverages division of the department of commerce or
20 40 otherwise utilize a competitive process not
20 41 inconsistent with the division's current charter
20 42 agency agreement to select a provider to perform the
20 43 state liquor warehouse and trucking functions. The
20 44 request for proposals or competitive process shall be
20 45 issued or commenced as soon as is reasonably possible
20 46 and a provider shall be selected no later than
20 47 December 31, 2005. The division may submit a bid in
20 48 response to a request for proposals issued or
20 49 competitive process conducted pursuant to this
20 50 section. If the division submits a bid, the division
21 1 shall include in the bid the cost of labor to perform
21 2 the contract which shall be calculated by using the
21 3 cost of hiring full-time equivalent positions to
21 4 perform the contract pursuant to state pay grade
21 5 classifications and benefits as outlined in the most
21 6 recent collective bargaining agreement applicable to
21 7 other employees of the division. Notwithstanding any
21 8 provision of chapter 22 to the contrary, the
21 9 division's bid and any documents the division uses in
21 10 developing its bid shall be considered a confidential
21 11 record until the department of administrative services
21 12 announces the results of the request for proposals or
21 13 competitive process.

21 14 Sec. _____. EFFECTIVE DATE. The section of this Act
21 15 amending section 123.53 takes effect July 1, 2006.

21 16 DIVISION ____
21 17 BOARD OF REGENTS

21 18 Sec. _____. Section 12B.10C, Code 2005, is amended
21 19 by adding the following new subsection:

21 20 NEW SUBSECTION. 10. The state board of regents
21 21 governed by chapter 262.

21 22 Sec. _____. Section 73A.1, subsection 2, Code 2005,
21 23 is amended to read as follows:

21 24 2. "Municipality" as used in this chapter means
21 25 township, school corporation, and state fair board,
~~21 26 and state board of regents.~~

21 27 Sec. _____. Section 262.9, subsection 7, Code 2005,
21 28 is amended to read as follows:

21 29 7. ~~With the approval of the executive council,~~
~~21 30 acquire~~ Acquire real estate for the proper uses of
21 31 ~~said~~ institutions under its control, and dispose of
21 32 real estate belonging to ~~said~~ the institutions when
21 33 not necessary for their purposes. ~~A~~ The disposal of
21 34 ~~such~~ real estate shall be made upon such terms,
21 35 conditions, and consideration as the board may
21 36 recommend ~~and subject to the approval of the executive~~
~~21 37 council.~~ If real estate subject to sale ~~hereunder~~ has
21 38 been purchased or acquired from appropriated funds,
21 39 the proceeds of such sale shall be deposited with the
21 40 treasurer of state and credited to the general fund of
21 41 the state. There is hereby appropriated from the
21 42 general fund of the state a sum equal to the proceeds
21 43 so deposited and credited to the general fund of the
21 44 state to the state board of regents, ~~which, with the~~
~~21 45 prior approval of the executive council,~~ may be used
21 46 to purchase other real estate and buildings, and for

21 47 the construction and alteration of buildings and other
21 48 capital improvements. All transfers shall be by state
21 49 patent in the manner provided by law. The board is
21 50 also authorized to grant easements for rights-of-way
22 1 over, across, and under the surface of public lands
22 2 under its jurisdiction when in the board's judgment
22 3 such easements are desirable and will benefit the
22 4 state of Iowa.

22 5 Sec. _____. Section 262.9, subsection 15, unnumbered
22 6 paragraph 2, Code 2005, is amended by striking the
22 7 unnumbered paragraph.

22 8 Sec. _____. Section 262.10, unnumbered paragraph 1,
22 9 Code 2005, is amended to read as follows:

22 10 No sale or purchase of real estate shall be made
22 11 save upon the order of the board, made at a regular
22 12 meeting, or one called for that purpose, and then in
22 13 such manner and under such terms as the board may
22 14 prescribe ~~and only with the approval of the executive~~
22 15 ~~council.~~ No member of the board or any of its
22 16 committees, offices or agencies nor any officer of any
22 17 institution, shall be directly or indirectly
22 18 interested in such purchase or sale.

22 19 Sec. _____. Section 262.33A, Code 2005, is amended
22 20 to read as follows:

22 21 262.33A FIRE AND ENVIRONMENTAL SAFETY == REPORT ==
22 22 EXPENDITURES.

22 23 It is the intent of the general assembly that each
22 24 institution of higher education under the control of
22 25 the state board of regents shall, in consultation with
22 26 the state fire marshal, identify and correct all
22 27 critical fire and environmental safety deficiencies.

22 28 ~~The state fire marshal shall report annually to the~~
22 29 ~~joint subcommittee on education appropriations. The~~
22 30 ~~report shall include, but is not limited to, the~~
22 31 ~~identified deficiencies in fire and environmental~~
22 32 ~~safety at the institutions, and plans for correction~~
22 33 ~~of the deficiencies and for compliance with this~~
22 34 ~~section.~~

22 35 Commencing July 1, 1993, each institution
22 36 under the control of the state board of regents shall
22 37 expend annually for fire safety and deferred
22 38 maintenance at least the amount budgeted for these
22 39 purposes for the fiscal year beginning July 1, 1992,
22 40 in addition to any moneys appropriated from the
22 41 general fund for these purposes in succeeding years.

22 42 Sec. _____. Section 262.34, Code 2005, is amended to
22 43 read as follows:

22 44 262.34 IMPROVEMENTS == ADVERTISEMENT FOR BIDS ==
22 45 DISCLOSURES == PAYMENTS.

22 46 1. When the estimated cost of construction,
22 47 repairs, or improvement of buildings or grounds under
22 48 charge of the state board of regents exceeds ~~twenty=~~
22 49 ~~five one hundred~~ thousand dollars, the board shall
22 50 advertise for bids for the contemplated improvement or
22 51 construction and shall let the work to the lowest

23 1 responsible bidder. However, if in the judgment of
23 2 the board bids received are not acceptable, the board
23 3 may reject all bids and proceed with the construction,
23 4 repair, or improvement by a method as the board may
23 5 determine. All plans and specifications for repairs
23 6 or construction, together with bids on the plans or
23 7 specifications, shall be filed by the board and be
23 8 open for public inspection. All bids submitted under
23 9 this section shall be accompanied by a deposit of
23 10 money, a certified check, or a credit union certified
23 11 share draft in an amount as the board may prescribe.

23 12 2. A bidder awarded a contract shall disclose the
23 13 names of all subcontractors, who will work on the
23 14 project being bid, within forty-eight hours after the
23 15 award of the contract. If a subcontractor named by a
23 16 bidder awarded a contract is replaced, or if the cost
23 17 of work to be done by a subcontractor is reduced, the
23 18 bidder shall disclose the name of the new
23 19 subcontractor or the amount of the reduced cost.

23 20 3. Payments made by the board for the construction
23 21 of public improvements shall be made in accordance
23 22 with the provisions of chapter 573 except that:

23 23 a. Payments may be made without retention until
23 24 ninety-five percent of the contract amount has been
23 25 paid. The remaining five percent of the contract
23 26 amount shall be paid as provided in section 573.14,
23 27 except that:

23 28 (1) At any time after all or any part of the work
23 29 is substantially completed in accordance with
23 30 paragraph "c", the contractor may request the release
23 31 of all or part of the retainage owed. Such request
23 32 shall be accompanied by a waiver of claim rights under
23 33 the provisions of chapter 573 from any person, firm,
23 34 or corporation who has, under contract with the
23 35 principal contractor or with subcontractors performed
23 36 labor, or furnished materials, service, or
23 37 transportation in the construction of that portion of
23 38 the work for which release of the retainage is
23 39 requested.

23 40 (2) Upon receipt of the request, the board shall
23 41 release all or part of the unpaid funds. Retainage
23 42 that is approved as payable shall be paid at the time
23 43 of the next monthly payment or within thirty days,
23 44 whichever is sooner. If partial retainage is released
23 45 pursuant to a contractor's request, no retainage shall
23 46 be subsequently held based on that portion of the
23 47 work. If within thirty days of when payment becomes
23 48 due the board does not release the retainage due,
23 49 interest shall accrue on the retainage amount due as
23 50 provided in section 573.14 until that amount is paid.

24 1 (3) If at the time of the request for the
24 2 retainage there are remaining or incomplete minor
24 3 items, an amount equal to two hundred percent of the
24 4 value of each remaining or incomplete item, as
24 5 determined by the board's authorized contract
24 6 representative, may be withheld until such item or
24 7 items are completed.

24 8 (4) An itemization of the remaining or incomplete
24 9 items, or the reason that the request for release of
24 10 the retainage was denied, shall be provided to the
24 11 contractor in writing within thirty calendar days of
24 12 the receipt of the request for release of retainage.

24 13 b. For purposes of this section, "authorized
24 14 contract representative" means the architect or
24 15 engineer who is in charge of the project and chosen by
24 16 the board to represent its interests, or if there is
24 17 no architect or engineer, then such other contract
24 18 representative or officer as designated in the
24 19 contract documents as the party representing the
24 20 board's interest regarding administration and
24 21 oversight of the project.

24 22 c. For purposes of this section, "substantially
24 23 completed" means the first date on which any of the
24 24 following occurs:

24 25 (1) Completion of the project or when the work has
24 26 been substantially completed in general accordance
24 27 with the terms and provisions of the contract.

24 28 (2) The work or the portion designated is
24 29 sufficiently complete in accordance with the
24 30 requirements of the contract so the board can occupy
24 31 or utilize the work for its intended purpose.

24 32 (3) The project is certified as having been
24 33 substantially completed by either of the following:

24 34 (a) The architect or engineer authorized to make
24 35 such certification.

24 36 (b) The contracting authority representing the
24 37 board.

24 38 4. Each contractor or subcontractor shall withhold
24 39 retainage, if at all, in the same manner as retainage
24 40 is withheld from the contractor or subcontractor; and
24 41 each subcontractor shall pass through all retainage
24 42 payments to lower tier subcontractors in accordance
24 43 with the provisions of chapter 573.

24 44 Sec. _____. Section 262.57, unnumbered paragraph 1,
24 45 Code 2005, is amended to read as follows:

24 46 To pay all or any part of the cost of carrying out
24 47 any project at any institution the board is authorized
24 48 to borrow money and to issue and sell negotiable bonds
24 49 or notes and to refund and refinance bonds or notes
24 50 heretofore issued or as may be hereafter issued for
25 1 any project or for refunding purposes at a lower rate,
25 2 the same rate or a higher rate or rates of interest
25 3 and from time to time as often as the board shall find
25 4 it to be advisable and necessary so to do. Such bonds
25 5 or notes may be sold by said board at public sale in
25 6 the manner prescribed by chapter 75 but if the board
25 7 shall find it to be advantageous and in the public
25 8 interest to do so, such bonds or notes may be sold by

25 9 the board at private sale without published notice of
25 10 any kind and without regard to the requirements of
25 11 chapter 75 in such manner and upon such terms as may
25 12 be prescribed by the resolution authorizing the same,
~~25 13 but such bonds or notes shall in any event be sold~~
~~25 14 upon terms of not less than par plus accrued interest.~~
25 15 Bonds or notes issued to refund other bonds or notes
25 16 heretofore or hereafter issued by the board for
25 17 residence hall or dormitory purposes at any
25 18 institution, including dining or other facilities and
25 19 additions, or heretofore or hereafter issued for
25 20 refunding purposes, may either be sold in the manner
25 21 hereinbefore specified and the proceeds thereof
25 22 applied to the payment of the obligations being
25 23 refunded, or the refunding bonds or notes may be
25 24 exchanged for and in payment and discharge of the
25 25 obligations being refunded, and a finding by the board
25 26 in the resolution authorizing the issuance of such
25 27 refunding bonds or notes that the bonds or notes being
25 28 refunded were issued for a purpose specified in this
25 29 division and constitute binding obligations of the
25 30 board shall be conclusive and may be relied upon by
25 31 any holder of any refunding bond or note issued under
25 32 the provisions of this division. The refunding bonds
25 33 or notes may be sold or exchanged in installments at
25 34 different times or an entire issue or series may be
25 35 sold or exchanged at one time. Any issue or series of
25 36 refunding bonds or notes may be exchanged in part or
25 37 sold in parts in installments at different times or at
25 38 one time. The refunding bonds or notes may be sold or
25 39 exchanged at any time on, before, or after the
25 40 maturity of any of the outstanding notes, bonds or
25 41 other obligations to be refinanced thereby and may be
25 42 issued for the purpose of refunding a like or greater
25 43 principal amount of bonds or notes, except that the
25 44 principal amount of the refunding bonds or notes may
25 45 exceed the principal amount of the bonds or notes to
25 46 be refunded to the extent necessary to pay any premium
25 47 due on the call of the bonds or notes to be refunded
25 48 or to fund interest in arrears or about to become due.
25 49 Sec. _____. Section 262.78, subsection 6, Code 2005,
25 50 is amended by striking the subsection.
26 1 Sec. _____. Section 262A.5, unnumbered paragraph 1,
26 2 Code 2005, is amended to read as follows:
26 3 The board is authorized to borrow money under this
26 4 chapter, and the board may issue and sell negotiable
26 5 bonds to pay all or any part of the cost of carrying
26 6 out any project at any institution and may refund and
26 7 refinance bonds issued for any project or for
26 8 refunding purposes at the same rate or at a higher or
26 9 lower rate or rates of interest. Bonds issued under
26 10 the provisions of this chapter shall be sold by said
26 11 board at public sale on the basis of sealed proposals
26 12 received pursuant to a notice specifying the time and
26 13 place of sale and the amount of bonds to be sold which
26 14 shall be published at least once not less than seven
26 15 days prior to the date of sale in a newspaper
26 16 published in the state of Iowa and having a general
26 17 circulation in said state. The provisions of chapter
26 18 75 shall ~~not~~ apply to bonds issued under authority
26 19 contained in this chapter, ~~but such bonds shall be~~
~~26 20 sold upon terms of not less than par plus accrued~~
~~26 21 interest to the extent not in conflict with this~~
~~26 22 chapter.~~ Bonds issued to refund other bonds issued
26 23 under the provisions of this chapter may either be
26 24 sold in the manner hereinbefore specified and the
26 25 proceeds thereof applied to the payment of the
26 26 obligations being refunded, or the refunding bonds may
26 27 be exchanged for and in payment and discharge of the
26 28 obligations being refunded. The refunding bonds may
26 29 be sold or exchanged in installments at different
26 30 times or an entire issue or series may be sold or
26 31 exchanged at one time. Any issue or series of
26 32 refunding bonds may be exchanged in part or sold in
26 33 parts in installments at different times or at one
26 34 time. The refunding bonds may be sold or exchanged at
26 35 any time on, before, or after the maturity of any of
26 36 the outstanding bonds or other obligations to be
26 37 refinanced thereby and may be issued for the purpose
26 38 of refunding a like or greater principal amount of
26 39 bonds, except that the principal amount of the

26 40 refunding bonds may exceed the principal amount of the
26 41 bonds to be refunded to the extent necessary to pay
26 42 any premium due on the call of the bonds to be
26 43 refunded or to fund interest in arrears or which is to
26 44 become due.

26 45 Sec. _____. Section 266.39F, subsection 2,
26 46 unnumbered paragraph 2, Code 2005, is amended to read
26 47 as follows:

26 48 The provisions of section 262.9, subsection 7, ~~and~~
~~26 49 section 262.10,~~ shall not apply to the sale of any
26 50 portion of land to be sold in accordance with this
27 1 section or to the use of the proceeds from the sale of
27 2 the land.

27 3 Sec. _____. Section 573.12, subsection 1, unnumbered
27 4 paragraph 1, Code 2005, is amended to read as follows:

27 5 Payments made under contracts for the construction
27 6 of public improvements, unless provided otherwise by
27 7 law, shall be made on the basis of monthly estimates
27 8 of labor performed and material delivered, as
27 9 determined by the project architect or engineer. The
27 10 public corporation shall retain from each monthly
27 11 payment not more than five percent of that amount
27 12 which is determined to be due according to the
27 13 estimate of the architect or engineer. ~~However,~~
~~27 14 institutions governed pursuant to chapter 262 may, on~~
~~27 15 contracts where a bond is required under section~~
~~27 16 573.2, make payments under this section without~~
~~27 17 retention until ninety-five percent of the contract~~
~~27 18 amount has been paid and the remaining five percent of~~
~~27 19 the contract amount shall be paid as provided under~~
~~27 20 section 573.14.~~

27 21 Sec. _____. Section 573.14, unnumbered paragraph 2,
27 22 Code 2005, is amended to read as follows:

27 23 The public corporation shall order payment of any
27 24 amount due the contractor to be made in accordance
27 25 with the terms of the contract. Except as provided in
27 26 section 573.12 for progress payments, failure to make
27 27 payment pursuant to this section, of any amount due
27 28 the contractor, within forty days, unless a greater
27 29 time period not to exceed fifty days is specified in
27 30 the contract documents, after the work under the
27 31 contract has been completed and if the work has been
27 32 accepted and all required materials, certifications,
27 33 and other documentations required to be submitted by
27 34 the contractor and specified by the contract have been
27 35 furnished the awarding public corporation by the
27 36 contractor, shall cause interest to accrue on the
27 37 amount unpaid to the benefit of the unpaid party.
27 38 Interest shall accrue during the period commencing the
27 39 thirty-first day following the completion of work and
27 40 satisfaction of the other requirements of this
27 41 paragraph and ending on the date of payment. The rate
27 42 of interest shall be determined by the period of time
27 43 during which interest accrues, and shall be the same
27 44 as the rate of interest that is in effect under
27 45 section 12C.6, as of the day interest begins to
27 46 accrue, for a deposit of public funds for a comparable
27 47 period of time. However, for institutions governed
27 48 pursuant to chapter 262, the rate of interest shall be
27 49 determined by the period of time during which interest
27 50 accrues, and shall be calculated as the prime rate
28 1 plus one percent per year as of the day interest

28 2 begins to accrue. This paragraph does not abridge any
28 3 of the rights set forth in section 573.16. Except as
28 4 provided in sections 573.12 and 573.16, interest shall
28 5 not accrue on funds retained by the public corporation
28 6 to satisfy the provisions of this section regarding
28 7 claims on file. This chapter does not apply if the
28 8 public corporation has entered into a contract with
28 9 the federal government or accepted a federal grant
28 10 which is governed by federal law or rules that are
28 11 contrary to the provisions of this chapter. For
28 12 purposes of this unnumbered paragraph, "prime rate"
28 13 means the prime rate charged by banks on short-term
28 14 business loans, as determined by the board of
28 15 governors of the federal reserve system and published
28 16 in the federal reserve bulletin.

28 17 Sec. _____. Sections 262.64A, 262.67, 262A.3,
28 18 262A.6A, 263A.11, 265.6, and 473.12, Code 2005, are
28 19 repealed.

28 20 DIVISION ____

28 21 ENTREPRENEURS WITH DISABILITIES
28 22 Sec. _____. ENTREPRENEURS WITH DISABILITIES PROGRAM
28 23 == TRANSFER OF ADMINISTRATION. The department of
28 24 economic development shall transfer the administrative
28 25 duties of the entrepreneurs with disabilities program
28 26 to the Iowa finance authority. The authority shall
28 27 adopt rules pursuant to chapter 17A for purposes of
28 28 administering the program. Any contract entered into
28 29 under the program by the department of economic
28 30 development remains valid. The transfer of
28 31 administrative duties to the authority shall not
28 32 constitute grounds for rescission or modification of a
28 33 contract under the program entered into with the
28 34 department.

28 35 Sec. _____. ENTREPRENEURS WITH DISABILITIES PROGRAM
28 36 == APPROPRIATION. For the fiscal year beginning July
28 37 1, 2005, and ending June 30, 2006, there is
28 38 appropriated from the general fund of the state to the
28 39 Iowa finance authority two hundred thousand dollars
28 40 for purposes of the entrepreneurs with disabilities
28 41 program.

28 42 DIVISION ____
28 43 GRAPE AND WINE DEVELOPMENT

28 44 Sec. _____. Section 175A.1, subsection 2, Code 2005,
28 45 is amended to read as follows:
28 46 2. "Department" means the Iowa department of
28 47 ~~agriculture and land stewardship economic development~~
28 48 ~~as created in section 15.105.~~

28 49 Sec. _____. Section 175A.1, Code 2005, is amended by
28 50 adding the following new subsection:
29 1 NEW SUBSECTION. 2A. "Director" means the director
29 2 of the department as appointed by the governor
29 3 pursuant to section 15.105.

29 4 Sec. _____. Section 175A.2, subsection 1, paragraph
29 5 a, subparagraph (1), Code 2005, is amended to read as
29 6 follows:
29 7 (1) The ~~secretary of agriculture~~ director.

29 8 Sec. _____. Section 175A.2, subsection 1, paragraph
29 9 a, subparagraph (3), Code 2005, is amended by striking
29 10 the paragraph.

29 11 Sec. _____. Section 175A.2, subsection 1, paragraph
29 12 b, unnumbered paragraph 1, Code 2005, is amended to
29 13 read as follows:
29 14 The following persons appointed by the ~~secretary of~~
29 15 ~~agriculture~~ director, who shall serve as voting
29 16 members:

29 17 Sec. _____. Section 175A.2, subsection 1, unnumbered
29 18 paragraph 2, Code 2005, is amended to read as follows:
29 19 The ~~secretary of agriculture~~ director shall appoint
29 20 the voting members based on a list of nominations
29 21 submitted by organizations representing growers,
29 22 winemakers, and retail sellers as certified by the
29 23 department according to requirements of the
29 24 department. Appointments of voting members are
29 25 subject to the requirements of sections 69.16 and
29 26 69.16A. In addition, the appointments shall be
29 27 geographically balanced. Unless the ~~secretary of~~
29 28 ~~agriculture~~ director determines that it is not
29 29 feasible, at least one person appointed as a voting
29 30 member shall reside in each of the state's
29 31 congressional districts at the time of appointment.
29 32 The ~~secretary of agriculture's~~ director's appointees
29 33 shall be confirmed by the senate, pursuant to section
29 34 2.32.

29 35 Sec. _____. Section 175A.2, subsection 2, Code 2005,
29 36 is amended to read as follows:
29 37 2. The voting members shall serve three-year terms
29 38 beginning and ending as provided in section 69.19.
29 39 ~~However, the secretary of agriculture shall appoint~~
29 40 ~~initial members to serve for less than three years to~~
29 41 ~~ensure members serve staggered terms.~~ A member is
29 42 eligible for reappointment. A vacancy on the
29 43 commission shall be filled for the unexpired portion
29 44 of the regular term in the same manner as regular
29 45 appointments are made.

29 46 Sec. _____. TRANSITIONAL PROVISIONS.
29 47 1. Any agreement made by the department of
29 48 agriculture and land stewardship which is executed
29 49 pursuant to chapter 175A and which is in effect on the
29 50 effective date of the amendments to sections 175A.1
30 1 and 175A.2 in this division of this Act shall continue

30 2 in full force and effect until the agreement expires
30 3 by its terms or is amended, terminated, or
30 4 supplemented by the affirmative action of the Iowa
30 5 department of economic development.

30 6 2. Any rule, regulation, form, order, or directive
30 7 adopted or issued by the department of agriculture and
30 8 land stewardship pursuant to chapter 175A which is in
30 9 effect on the effective date of amendments to sections
30 10 175A.1 and 175A.2 in this division of this Act shall
30 11 continue in full force and effect until amended,
30 12 repealed, or supplemented by the affirmative action of
30 13 the Iowa department of economic development as
30 14 provided in chapter 17A.

30 15 3. A person who holds a position as a member of
30 16 the grape and wine development commission who was
30 17 appointed by the secretary of agriculture pursuant to
30 18 section 175A.2 prior to the effective date of
30 19 amendments to sections 175A.1 and 175A.2 in this
30 20 division of this Act shall continue to hold such
30 21 position until the end of the member's term of office.

30 22 Sec. _____. EFFECTIVE DATE. The amendments to
30 23 sections 175.1 and 175.2 in this division of this Act
30 24 which provide for the transfer of administrative
30 25 duties and powers of chapter 175A from the department
30 26 of agriculture and land stewardship to the Iowa
30 27 department of economic development and transitional
30 28 provisions applying to that transfer as provided in
30 29 this division of this Act take effect upon enactment.
30 30 #43. Page 48, by inserting after line 26 the
30 31 following:

30 32 <DIVISION ____
30 33 RENEWABLE ENERGY GENERATION AND TAX CREDITS

30 34 Sec. _____. Section 422.11J, Code 2005, is amended
30 35 to read as follows:
30 36 422.11J ~~WIND ENERGY PRODUCTION TAX CREDIT CREDITS~~
30 37 ~~FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.~~

30 38 The taxes imposed under this division, less the
30 39 credits allowed under sections 422.12 and 422.12B,
30 40 shall be reduced by ~~a wind energy production tax~~
30 41 ~~credit credits for wind energy production allowed~~
30 42 ~~under chapter 476B and for renewable energy allowed~~
30 43 ~~under chapter 476C.~~

30 44 Sec. _____. Section 422.33, subsection 16, Code
30 45 2005, is amended to read as follows:
30 46 16. The taxes imposed under this division shall be
30 47 reduced by ~~a wind energy production tax credit credits~~
30 48 ~~for wind energy production allowed under chapter 476B~~
30 49 ~~and for renewable energy allowed under chapter 476C.~~

30 50 Sec. _____. Section 422.60, subsection 8, Code 2005,
31 1 is amended to read as follows:
31 2 8. The taxes imposed under this division shall be
31 3 reduced by ~~a wind energy production tax credit credits~~
31 4 ~~for wind energy production allowed under chapter 476B~~
31 5 ~~and for renewable energy allowed under chapter 476C.~~

31 6 Sec. _____. Section 423.4, Code 2005, is amended by
31 7 adding the following new subsection:
31 8 NEW SUBSECTION. 4. A person in possession of a
31 9 renewable energy tax credit certificate issued
31 10 pursuant to chapter 476C may apply to the director for
31 11 refund of the amount of sales or use tax imposed and
31 12 paid upon purchases made by the applicant.

31 13 a. The refunds may be obtained only in the
31 14 following manner and under the following conditions:
31 15 (1) On forms furnished by the department and filed
31 16 by January 31 after the end of the calendar year in
31 17 which the tax credit certificate is to be applied, the
31 18 applicant shall report to the department the total
31 19 amount of sales and use tax paid during the reporting
31 20 period on purchases made by the applicant.

31 21 (2) The applicant shall separately list the
31 22 amounts of sales and use tax paid during the reporting
31 23 period.

31 24 (3) If required by the department, the applicant
31 25 shall prove that the person making the sales has
31 26 included the amount thereof in the computation of the
31 27 sales price of such person and that such person has
31 28 paid the tax levied by this subchapter or subchapter
31 29 III, based upon such computation of the sales price.

31 30 (4) The applicant shall provide the tax credit
31 31 certificates issued pursuant to chapter 476C to the
31 32 department with the forms required by this paragraph

31 33 "a".
31 34 b. If satisfied that the foregoing conditions and
31 35 requirements have been complied with, the director
31 36 shall refund the amount claimed by the applicant for
31 37 an amount not greater than the amount of tax credits
31 38 issued in tax credit certificates pursuant to chapter
31 39 476C.
31 40 Sec. _____. Section 432.12E, Code 2005, is amended
31 41 to read as follows:
31 42 ~~432.12E WIND ENERGY PRODUCTION TAX CREDIT CREDITS~~
31 43 ~~FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.~~
31 44 The taxes imposed under this chapter shall be
31 45 reduced by ~~a wind energy production tax credit credits~~
31 46 ~~for wind energy production~~ allowed under chapter 476B
31 47 ~~and for renewable energy allowed under chapter 476C.~~
31 48 Sec. _____. NEW SECTION. 437A.17B REIMBURSEMENT
31 49 FOR RENEWABLE ENERGY.
31 50 A person in possession of a renewable energy tax
32 1 credit certificate issued pursuant to chapter 476C may
32 2 apply to the director for a reimbursement of the
32 3 amount of taxes imposed and paid by the person
32 4 pursuant to this chapter in an amount not more than
32 5 the person received in renewable energy tax credit
32 6 certificates pursuant to chapter 476C. To obtain the
32 7 reimbursement, the person shall attach to the return
32 8 required under section 437A.8 the renewable energy tax
32 9 credit certificates issued to the person pursuant to
32 10 chapter 476C, and provide any other information the
32 11 director may require. The director shall direct a
32 12 warrant to be issued to the person for an amount equal
32 13 to the tax imposed and paid by the person pursuant to
32 14 this chapter but for not more than the amount of the
32 15 renewable energy tax credit certificates attached to
32 16 the return.
32 17 Sec. _____. NEW SECTION. 476C.1 DEFINITIONS.
32 18 For purposes of this chapter, unless the context
32 19 otherwise requires:
32 20 1. "Anaerobic digester system" means a system of
32 21 components that processes plant or animal materials
32 22 based on the absence of oxygen and produces methane or
32 23 other biogas used to generate electricity, hydrogen
32 24 fuel, or heat for a commercial purpose.
32 25 2. "Biogas recovery facility" means an anaerobic
32 26 digester system that is located in this state.
32 27 3. "Biomass conversion facility" means a facility
32 28 in this state that converts plant-derived organic
32 29 matter including, but not limited to, agricultural
32 30 food and feed crops, crop wastes and residues, wood
32 31 wastes and residues, or aquatic plants to generate
32 32 electricity, hydrogen fuel, or heat for a commercial
32 33 purpose.
32 34 4. "Board" means the utilities board within the
32 35 utilities division of the department of commerce.
32 36 5. "Department" means the department of revenue.
32 37 6. "Eligible renewable energy facility" means a
32 38 wind energy conversion facility, a biogas recovery
32 39 facility, a biomass conversion facility, a methane gas
32 40 recovery facility, or a solar energy conversion
32 41 facility that meets all of the following requirements:
32 42 a. Is located in this state.
32 43 b. Is at least fifty-one percent owned by one or
32 44 more of any combination of the following:
32 45 (1) A resident of this state.
32 46 (2) Any of the following as defined in section
32 47 9H.1:
32 48 (a) An authorized farm corporation.
32 49 (b) An authorized limited liability company.
32 50 (c) An authorized trust.
33 1 (d) A family farm corporation.
33 2 (e) A family farm limited liability company.
33 3 (f) A family trust.
33 4 (g) A revocable trust.
33 5 (h) A testamentary trust.
33 6 (3) A small business as defined in section 15.102.
33 7 (4) An electric cooperative association organized
33 8 pursuant to chapter 499 that sells electricity to end
33 9 users located in this state.
33 10 (5) An electric cooperative association that has
33 11 one or more members organized pursuant to chapter 499.
33 12 (6) A cooperative corporation organized pursuant
33 13 to chapter 497 or a limited liability corporation

33 14 organized pursuant to chapter 490A whose shares and
33 15 membership are held by an entity that is not
33 16 prohibited from owning agricultural land under chapter
33 17 9H.

33 18 (7) A school district located in this state.

33 19 c. Has at least one owner that meets the
33 20 requirements of paragraph "b" for each two and one=
33 21 half megawatts of nameplate generating capacity or the
33 22 energy production capacity equivalent for hydrogen
33 23 fuel or heat for a commercial purpose of the otherwise
33 24 eligible renewable energy facility.

33 25 d. Was initially placed into service on or after
33 26 July 1, 2005, and before January 1, 2011, or on or
33 27 after February 1, 2005, and before January 1, 2011, if
33 28 the facility meets the requirements of subsection 6,
33 29 paragraph "b", subparagraph (7).

33 30 7. "Energy production capacity equivalent" means
33 31 the amount of energy in a standard cubic foot of
33 32 hydrogen gas or the number of British thermal units
33 33 that are equal to the energy in a kilowatt-hour of
33 34 electricity. For the purposes of this chapter, one
33 35 kilowatt-hour shall be deemed equivalent to three
33 36 thousand three hundred thirty=three British thermal
33 37 units of heat or ten and forty=five one hundredths of
33 38 standard cubic feet of hydrogen gas.

33 39 8. "Heat for a commercial purpose" means the heat
33 40 in British thermal unit equivalents from methane or
33 41 other biogas produced in this state sold to a
33 42 purchaser of renewable energy for use for a commercial
33 43 purpose.

33 44 9. "Hydrogen fuel" means hydrogen produced in this
33 45 state from a renewable source that is used in a fuel
33 46 cell or hydrogen=powered internal combustion engine.

33 47 10. "Methane gas recovery facility" means a
33 48 facility in this state which is used in connection
33 49 with a sanitary landfill or which uses wastes that
33 50 would otherwise be deposited in a sanitary landfill,
34 1 that collects methane gas or other gases and converts
34 2 the gas into energy to generate electricity, hydrogen
34 3 fuel, or heat for a commercial purpose.

34 4 11. "Producer of renewable energy" means a person
34 5 who owns an eligible renewable energy facility.

34 6 12. "Purchaser of renewable energy" means a person
34 7 who buys electric energy, hydrogen fuel, methane gas
34 8 or other biogas used to generate electricity, or heat
34 9 for a commercial purpose from an eligible renewable
34 10 energy facility.

34 11 13. "Solar energy conversion facility" means a
34 12 solar energy facility in this state that collects and
34 13 converts incident solar radiation into energy to
34 14 generate electricity.

34 15 14. "Wind energy conversion facility" means a wind
34 16 energy conversion system in this state that collects
34 17 and converts wind into energy to generate electricity.

34 18 Sec. _____. NEW SECTION. 476C.2 TAX CREDIT AMOUNT
34 19 == LIMITATIONS.

34 20 1. A producer or purchaser of renewable energy may
34 21 receive renewable energy tax credits under this
34 22 chapter in an amount equal to one and one-half cents
34 23 per kilowatt-hour of electricity, or four dollars and
34 24 fifty cents per million British thermal units of heat
34 25 for a commercial purpose, or four dollars and fifty
34 26 cents per million British thermal units of methane gas
34 27 or other biogas used to generate electricity, or one
34 28 dollar and forty=four cents per one thousand standard
34 29 cubic feet of hydrogen fuel generated by and purchased
34 30 from an eligible renewable energy facility.

34 31 2. The renewable energy tax credit shall not be
34 32 allowed for any kilowatt-hour of electricity, British
34 33 thermal unit of heat for a commercial purpose, British
34 34 thermal unit of methane gas or other biogas used to
34 35 generate electricity, or standard cubic foot of
34 36 hydrogen fuel that is purchased from an eligible
34 37 renewable energy facility by a related person. For
34 38 purposes of this subsection, persons shall be treated
34 39 as related to each other if either person owns an
34 40 eighty percent or more equity interest in the other
34 41 person.

34 42 Sec. _____. NEW SECTION. 476C.3 DETERMINATION OF
34 43 ELIGIBILITY.

34 44 1. A producer or purchaser of renewable energy may

34 45 apply to the board for a written determination
34 46 regarding whether a facility is an eligible renewable
34 47 energy facility by submitting to the board a written
34 48 application containing all of the following:
34 49 a. Information regarding the ownership of the
34 50 facility including the percentage of equity interest
35 1 held by each owner.
35 2 b. The nameplate generating capacity of the
35 3 facility or energy production capacity equivalent.
35 4 c. Information regarding the facility's initial
35 5 placement in service.
35 6 d. Information regarding the type of facility and
35 7 what type of renewable energy the facility will
35 8 produce.
35 9 e. A copy of the power purchase agreement or other
35 10 agreement to purchase electricity, hydrogen fuel,
35 11 methane or other biogas, or heat for a commercial
35 12 purpose which shall designate either the producer or
35 13 purchaser of renewable energy as eligible to apply for
35 14 the renewable energy tax credit.
35 15 f. Any other information the board may require.
35 16 2. The board shall review the application and
35 17 supporting information and shall make a preliminary
35 18 determination regarding whether the facility is an
35 19 eligible renewable energy facility. The board shall
35 20 notify the applicant of the approval or denial of the
35 21 application within thirty days of receipt of the
35 22 application and information required. If the board
35 23 fails to notify the applicant of the approval or
35 24 denial within thirty days, the application shall be
35 25 deemed denied. An applicant who receives a
35 26 determination denying an application may file an
35 27 appeal with the board within thirty days from the date
35 28 of the denial pursuant to the provisions of chapter
35 29 17A. In the absence of a timely appeal, the
35 30 preliminary determination shall be final. If the
35 31 application is incomplete, the board may grant an
35 32 extension of time for the provision of additional
35 33 information.
35 34 3. A facility that is not operational within
35 35 eighteen months after issuance of an approval for the
35 36 facility by the board shall cease to be an eligible
35 37 renewable energy facility. A facility that is granted
35 38 and thereafter loses approval may reapply to the board
35 39 for a new determination.
35 40 4. The maximum amount of nameplate generating
35 41 capacity of all wind energy conversion facilities the
35 42 board may find eligible under this chapter shall not
35 43 exceed ninety megawatts of nameplate generating
35 44 capacity. The maximum amount of energy production
35 45 capacity equivalent of all other facilities the board
35 46 may find eligible under this chapter shall not exceed
35 47 a combined output of ten megawatts of nameplate
35 48 generating capacity.
35 49 5. An owner meeting the requirements of section
35 50 476C.1, subsection 6, paragraph "b" shall not be an
36 1 owner of more than two eligible renewable energy
36 2 facilities.
36 3 Sec. _____. NEW SECTION. 476C.4 TAX CREDIT
36 4 CERTIFICATE PROCEDURE.
36 5 1. A producer or purchaser of renewable energy may
36 6 apply to the board for the renewable energy tax credit
36 7 by submitting to the board all of the following:
36 8 a. A completed application in a form prescribed by
36 9 the board.
36 10 b. A copy of the determination granting approval
36 11 of the facility as an eligible renewable energy
36 12 facility by the board.
36 13 c. A copy of a signed power purchase agreement or
36 14 other agreement to purchase electricity, hydrogen
36 15 fuel, methane or other biogas, or heat for a
36 16 commercial purpose from an eligible renewable energy
36 17 facility which shall designate either the producer or
36 18 purchaser of renewable energy as eligible to apply for
36 19 the renewable energy tax credit.
36 20 d. Sufficient documentation that the electricity,
36 21 heat for a commercial purpose, methane gas or other
36 22 biogas, or hydrogen fuel has been generated by the
36 23 eligible renewable energy facility and sold to the
36 24 purchaser of renewable energy.
36 25 e. Any other information the board deems

36 26 necessary.
36 27 2. The board shall notify the department of the
36 28 amount of kilowatt-hours, British thermal units of
36 29 heat for a commercial purpose, British thermal units
36 30 of methane gas or other biogas used to generate
36 31 electricity, or standard cubic feet of hydrogen fuel
36 32 generated and purchased from an eligible renewable
36 33 energy facility. The department shall calculate the
36 34 amount of the tax credit for which the applicant is
36 35 eligible and shall issue the tax credit certificate
36 36 for that amount or notify the applicant in writing of
36 37 its refusal to do so. An applicant whose application
36 38 is denied may file an appeal with the department
36 39 within sixty days from the date of the denial pursuant
36 40 to the provisions of chapter 17A.

36 41 3. Each tax credit certificate shall contain the
36 42 person's name, address, and tax identification number,
36 43 the amount of tax credits, the first taxable year the
36 44 certificate may be used, the type of tax to which the
36 45 tax credits shall be applied, and any other
36 46 information required by the department. The tax
36 47 credit certificate shall only list one type of tax to
36 48 which the amount of the tax credit may be applied.
36 49 Once issued by the department, the tax credit
36 50 certificate shall not be terminated or rescinded.

37 1 4. If the tax credit application is filed by a
37 2 partnership, limited liability company, S corporation,
37 3 estate, trust, or other reporting entity all of the
37 4 income of which is taxed directly to its equity
37 5 holders or beneficiaries, for the taxes imposed under
37 6 chapter 422, division II or III, the tax credit
37 7 certificate shall be issued directly to equity holders
37 8 or beneficiaries of the applicant in proportion to
37 9 their pro rata share of the income of such entity.
37 10 The applicant shall, in the application made under
37 11 this section, identify its equity holders or
37 12 beneficiaries, and the percentage of such entity's
37 13 income that is allocable to each equity holder or
37 14 beneficiary. If the tax credit application is filed
37 15 by a partnership, limited liability company, S
37 16 corporation, estate, trust, or other reporting entity,
37 17 all of whose income is taxed directly to its equity
37 18 holders or beneficiaries for the taxes imposed under
37 19 chapter 422, division V, or under chapter 423, 432, or
37 20 437A, the tax credit certificate shall be issued
37 21 directly to the partnership, limited liability
37 22 company, S corporation, estate, trust, or other
37 23 reporting entity.

37 24 5. The department shall not issue a tax credit
37 25 certificate if the facility approved by the board as
37 26 an eligible renewable energy facility is not
37 27 operational within eighteen months after the approval
37 28 is issued.

37 29 6. The department shall not issue a tax credit
37 30 certificate to any person who has received a tax
37 31 credit pursuant to chapter 476B.

37 32 7. Once a tax credit certificate is issued
37 33 pursuant to this section, the tax credit may only be
37 34 claimed against the type of tax reflected on the
37 35 certificate.

37 36 Sec. _____. NEW SECTION. 476C.5 CERTIFICATE
37 37 ISSUANCE PERIOD.

37 38 A producer or purchaser of renewable energy may
37 39 receive renewable energy tax credit certificates for a
37 40 ten-year period for each eligible renewable energy
37 41 facility under this chapter. The ten-year period for
37 42 issuance of the tax credit certificates begins with
37 43 the date the purchaser of renewable energy first
37 44 purchases electricity, hydrogen fuel, methane gas or
37 45 other biogas used to generate electricity, or heat for
37 46 commercial purposes from the eligible renewable energy
37 47 facility for which a tax credit is issued under this
37 48 chapter. Renewable energy tax credit certificates
37 49 shall not be issued for renewable energy purchased
37 50 after December 31, 2020.

38 1 Sec. _____. NEW SECTION. 476C.6 TRANSFERABILITY
38 2 AND USE OF TAX CREDIT CERTIFICATES == REGISTRATION.

38 3 1. Renewable energy tax credit certificates issued
38 4 under this chapter may be transferred to any person.
38 5 A tax credit certificate shall only be transferred
38 6 once. However, for purposes of this transfer

38 7 provision, a decision between a producer and purchaser
38 8 of renewable energy regarding who claims the tax
38 9 credit issued pursuant to this chapter shall not be
38 10 considered a transfer and must be set forth in the
38 11 application for the tax credit pursuant to section
38 12 476C.4. Within thirty days of transfer, the
38 13 transferee must submit the transferred tax credit
38 14 certificate to the department along with a statement
38 15 containing the transferee's name, tax identification
38 16 number, and address, and the denomination that each
38 17 new certificate is to carry and any other information
38 18 required by the department. Within thirty days of
38 19 receiving the transferred tax credit certificate and
38 20 the transferee's statement, the department shall issue
38 21 one or more replacement tax credit certificates to the
38 22 transferee. Each replacement tax credit certificate
38 23 must contain the information required under section
38 24 476C.4, subsection 3, and must have the same effective
38 25 taxable year and the same expiration date that
38 26 appeared in the transferred tax credit certificate.
38 27 Tax credit certificate amounts of less than the
38 28 minimum amount established by rule shall not be
38 29 transferable. A tax credit shall not be claimed by a
38 30 transferee under this chapter until a replacement tax
38 31 credit certificate identifying the transferee as the
38 32 proper holder has been issued. The replacement tax
38 33 credit certificate may reflect a different type of tax
38 34 than the type of tax noted on the original tax credit
38 35 certificate.

38 36 The transferee may use the amount of the tax credit
38 37 transferred against taxes imposed under chapter 422,
38 38 divisions II, III, and V, and chapter 432 for any tax
38 39 year the original transferor could have claimed the
38 40 tax credit. The transferee may claim a refund under
38 41 chapter 423 or 437A for any tax year within the time
38 42 period set forth in section 423.47 or 437A.14 for
38 43 which the original transferor could have claimed the
38 44 refund. Any consideration received for the transfer
38 45 of the tax credit shall not be included as income
38 46 under chapter 422, divisions II, III, and V. Any
38 47 consideration paid for the transfer of the tax credit
38 48 shall not be deducted from income under chapter 422,
38 49 divisions II, III, and V.

38 50 2. To claim a renewable energy tax credit under
39 1 this chapter, a taxpayer must attach one or more tax
39 2 credit certificates to the taxpayer's tax return, or
39 3 if used against taxes imposed under chapter 423, the
39 4 taxpayer shall comply with section 423.4, or if used
39 5 against taxes imposed under chapter 437A, the taxpayer
39 6 shall comply with section 437A.17B, subsection 4. A
39 7 tax credit certificate shall not be used or attached
39 8 to a return filed for a taxable year beginning prior
39 9 to July 1, 2006. The tax credit certificate or
39 10 certificates attached to the taxpayer's tax return
39 11 shall be issued in the taxpayer's name, expire on or
39 12 after the last day of the taxable year for which the
39 13 taxpayer is claiming the tax credit, and show a tax
39 14 credit amount equal to or greater than the tax credit
39 15 claimed on the taxpayer's tax return. Any tax credit
39 16 in excess of the taxpayer's tax liability for the
39 17 taxable year may be credited to the taxpayer's tax
39 18 liability for the following seven tax years or until
39 19 the credit is depleted, whichever is earlier. If the
39 20 tax credit is applied against the taxes imposed under
39 21 chapter 423 or 437A, any credit in excess of the
39 22 taxpayer's tax liability is carried over and can be
39 23 filed with the refund claim for the following seven
39 24 tax years or until depleted, whichever is earlier.
39 25 However, the certificate shall not be used to reduce
39 26 tax liability for a tax period ending after the
39 27 expiration date of the certificate.

39 28 3. The department shall develop a system for the
39 29 registration of the renewable energy tax credit
39 30 certificates issued or transferred under this chapter
39 31 and a system that permits verification that any tax
39 32 credit claimed on a tax return is valid and that
39 33 transfers of the tax credit certificates are made in
39 34 accordance with the requirements of this chapter. The
39 35 tax credit certificates issued under this chapter
39 36 shall not be classified as a security pursuant to
39 37 chapter 502.

39 38 Sec. _____. NEW SECTION. 476C.7 RULES.
39 39 The department and the board may adopt rules
39 40 pursuant to chapter 17A for the administration and
39 41 enforcement of this chapter.
39 42 Sec. _____. EFFECTIVE DATE. This division of this
39 43 Act, being deemed of immediate importance, takes
39 44 effect upon enactment.>
39 45 #44. Page 48, by inserting after line 26 the
39 46 following:
39 47 <DIVISION ____
39 48 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY
39 49 Sec. _____. Section 155A.3, subsection 11, Code
39 50 2005, is amended to read as follows:
40 1 11. "Dispense" means to deliver a prescription
40 2 drug, device, or controlled substance to an ultimate
40 3 user or research subject by or pursuant to the lawful
40 4 prescription drug order or medication order of a
40 5 practitioner, including the prescribing,
40 6 administering, packaging, labeling, or compounding
40 7 necessary to prepare the substance for that delivery.
40 8 Sec. _____. Section 155A.3, Code 2005, is amended by
40 9 adding the following new subsection:
40 10 NEW SUBSECTION. 22A. "Logistics provider" means
40 11 an entity that provides or coordinates warehousing,
40 12 distribution, or other services on behalf of a
40 13 manufacturer or other owner of a drug, but does not
40 14 take title to the drug or have general responsibility
40 15 to direct its sale or other disposition.
40 16 Sec. _____. Section 155A.3, Code 2005, is amended by
40 17 adding the following new subsection:
40 18 NEW SUBSECTION. 23A. "Pedigree" means a recording
40 19 of each distribution of any given drug or device, from
40 20 the sale by the manufacturer through acquisition and
40 21 sale by any wholesaler, pursuant to rules adopted by
40 22 the board.
40 23 Sec. _____. Section 155A.3, subsection 33, paragraph
40 24 b, Code 2005, is amended to read as follows:
40 25 b. A drug or device that under federal law is
40 26 required, prior to being dispensed or delivered, to be
40 27 labeled with ~~either one~~ of the following statements:
40 28 (1) Caution: Federal law prohibits dispensing
40 29 without a prescription.
40 30 (2) Caution: Federal law restricts this drug to
40 31 use by or on the order of a licensed veterinarian.
40 32 (3) Caution: Federal law restricts this device to
40 33 sale by, or on the order of, a physician.
40 34 (4) Rx only.
40 35 Sec. _____. Section 155A.3, subsection 35, Code
40 36 2005, is amended to read as follows:
40 37 35. "Proprietary medicine" or "over-the-counter
40 38 medicine" means a nonnarcotic drug or device that may
40 39 be sold without a prescription and that is labeled and
40 40 packaged in compliance with applicable state or
40 41 federal law.
40 42 Sec. _____. Section 155A.3, subsection 38, Code
40 43 2005, is amended to read as follows:
40 44 38. "Wholesaler" means a person operating or
40 45 maintaining, either within or outside this state, a
40 46 manufacturing plant, wholesale distribution center,
40 47 wholesale business, or any other business in which
40 48 prescription drugs or devices, medicinal chemicals,
40 49 medicines, or poisons are sold, manufactured,
40 50 compounded, dispensed, stocked, exposed, distributed
41 1 from, or offered for sale at wholesale in this state.
41 2 "Wholesaler" does not include those wholesalers who
41 3 sell only proprietary or over-the-counter medicines.
41 4 "Wholesaler" also does not include a commercial
41 5 carrier that temporarily stores prescription drugs or
41 6 devices, medicinal chemicals, medicines, or poisons
41 7 while in transit.
41 8 Sec. _____. Section 155A.4, subsection 2, paragraph
41 9 a, Code 2005, is amended to read as follows:
41 10 a. A ~~manufacturer or~~ wholesaler to distribute
41 11 prescription drugs or devices as provided by state or
41 12 federal law.
41 13 Sec. _____. Section 155A.13, subsection 6,
41 14 unnumbered paragraph 1, Code 2005, is amended to read
41 15 as follows:
41 16 To qualify for a pharmacy license, the applicant
41 17 shall submit to the board a license fee as determined
41 18 by the board and a completed application on a form

41 19 prescribed by the board ~~that shall include the~~
41 20 ~~following information and. The application shall~~
41 21 ~~include the following and such other information as~~
41 22 ~~required by rules of the board and shall~~ be given
41 23 under oath:
41 24 Sec. _____. Section 155A.17, subsection 2, Code
41 25 2005, is amended to read as follows:
41 26 2. The board shall establish standards for drug
41 27 wholesaler licensure and may define specific types of
41 28 wholesaler licenses. The board may deny, suspend, or
41 29 revoke a drug wholesale license for failure to meet
41 30 the applicable standards or for a violation of the
41 31 laws of this state, another state, or the United
41 32 States relating to prescription drugs, devices, or
41 33 controlled substances, or for a violation of this
41 34 chapter, chapter 124, 124A, 124B, 126, or 205, or a
41 35 rule of the board.
41 36 Sec. _____. Section 155A.17, subsection 3, Code
41 37 2005, is amended to read as follows:
41 38 3. The board shall adopt rules pursuant to chapter
41 39 17A on matters pertaining to the issuance of a
41 40 wholesale drug license. The rules shall provide for
41 41 conditions of licensure, compliance standards,
41 42 licensure fees, disciplinary action, and other
41 43 relevant matters. Additionally, the rules shall
41 44 establish provisions or exceptions for pharmacies,
41 45 chain pharmacy distribution centers, logistics
41 46 providers, and other types of wholesalers relating to
41 47 pedigree requirements, drug or device returns, and
41 48 other related matters, so as not to prevent or
41 49 interfere with usual, customary, and necessary
41 50 business activities.
42 1 Sec. _____. Section 155A.19, subsection 1, paragraph
42 2 f, Code 2005, is amended by striking the paragraph and
42 3 inserting in lieu thereof the following:
42 4 f. Change of legal name or doing=business=as name.
42 5 Sec. _____. Section 155A.19, Code 2005, is amended
42 6 by adding the following new subsection:
42 7 NEW SUBSECTION. 3. A wholesaler shall report in
42 8 writing to the board, pursuant to its rules, the
42 9 following:
42 10 a. Permanent closing or discontinuation of
42 11 wholesale distributions into this state.
42 12 b. Change of ownership.
42 13 c. Change of location.
42 14 d. Change of the wholesaler's responsible
42 15 individual.
42 16 e. Change of legal name or doing=business=as name.
42 17 f. Theft or significant loss of any controlled
42 18 substance on discovery of the theft or loss.
42 19 g. Disasters, accidents, and emergencies that may
42 20 affect the strength, purity, or labeling of drugs,
42 21 medications, devices, or other materials used in the
42 22 diagnosis or the treatment of injury, illness, and
42 23 disease.
42 24 h. Other information or activities as required by
42 25 rule.
42 26 Sec. _____. Section 155A.20, subsection 1, Code
42 27 2005, is amended to read as follows:
42 28 1. A person, other than a pharmacy or wholesaler
42 29 licensed under this chapter, shall not display in or
42 30 on any store, internet site, or place of business, nor
42 31 use in any advertising or promotional literature,
42 32 communication, or representation, the word or words:
42 33 "apothecary", "drug", "drug store", or "pharmacy",
42 34 either in English or any other language, any other
42 35 word or combination of words of the same or similar
42 36 meaning, or any graphic representation in a manner
42 37 that would mislead the public unless it is a pharmacy
42 38 or drug wholesaler licensed under this chapter.
42 39 Sec. _____. Section 155A.21, Code 2005, is amended
42 40 to read as follows:
42 41 155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG
42 42 OR DEVICE == PENALTY.
42 43 1. A person found in possession of a drug or
42 44 device limited to dispensation by prescription, unless
42 45 the drug or device was so lawfully dispensed, commits
42 46 a serious misdemeanor.
42 47 2. Subsection 1 does not apply to a licensed
42 48 pharmacy, licensed wholesaler, physician,
42 49 veterinarian, dentist, podiatric physician,

therapeutically certified optometrist, advanced
1 registered nurse practitioner, physician assistant, a
2 nurse acting under the direction of a physician, or
3 the board of pharmacy examiners, its officers, agents,
4 inspectors, and representatives, nor to a common
5 carrier, manufacturer's representative, or messenger
6 when transporting the drug or device in the same
7 unbroken package in which the drug or device was
8 delivered to that person for transportation.
9 Sec. _____. Section 155A.23, Code 2005, is amended
10 to read as follows:
11 155A.23 PROHIBITED ACTS.
12 A person shall not perform or cause the performance
13 of or aid and abet any of the following acts:
14 1. ~~Obtain or attempt~~ Obtaining or attempting to
15 obtain a prescription drug or device or ~~procure or~~
16 ~~attempt procuring or attempting to procure the~~
17 administration of a prescription drug or device by:
18 a. ~~Fraud~~ Engaging in fraud, deceit,
19 misrepresentation, or subterfuge.
20 b. ~~Forgery or alteration of~~ Forging or altering a
21 written, electronic, or facsimile prescription or of
22 any written, electronic, or facsimile order.
23 c. ~~Concealment of~~ Concealing a material fact.
24 d. ~~Use of~~ Using a false name or ~~the giving of a~~
25 false address.
26 2. Willfully ~~make~~ making a false statement in any
27 prescription, report, or record required by this
28 chapter.
29 3. For the purpose of obtaining a prescription
30 drug or device, falsely ~~assume~~ assuming the title of
31 or ~~claim~~ claiming to be a manufacturer, wholesaler,
32 pharmacist, pharmacy owner, physician, dentist,
33 podiatric physician, veterinarian, or other authorized
34 person.
35 4. ~~Make or utter~~ Making or uttering any false or
36 forged oral, written, electronic, or facsimile
37 prescription or oral, written, electronic, or
38 facsimile order.
39 5. ~~Affix any false or forged label to a package or~~
40 ~~receptacle containing prescription drugs~~ Forging,
41 counterfeiting, simulating, or falsely representing
42 any drug or device without the authority of the
43 manufacturer, or using any mark, stamp, tag, label, or
44 other identification device without the authorization
45 of the manufacturer.
46 6. Manufacturing, repackaging, selling,
47 delivering, or holding or offering for sale any drug
48 or device that is adulterated, misbranded,
49 counterfeit, suspected of being counterfeit, or that
50 has otherwise been rendered unfit for distribution.
44 1 7. Adulterating, misbranding, or counterfeiting
44 2 any drug or device.
44 3 8. Receiving any drug or device that is
44 4 adulterated, misbranded, stolen, obtained by fraud or
44 5 deceit, counterfeit, or suspected of being
44 6 counterfeit, and delivering or proffering delivery of
44 7 such drug or device for pay or otherwise.
44 8 9. Adulterating, mutilating, destroying,
44 9 obliterating, or removing the whole or any part of the
44 10 labeling of a drug or device or committing any other
44 11 act with respect to a drug or device that results in
44 12 the drug or device being misbranded.
44 13 10. Purchasing or receiving a drug or device from
44 14 a person who is not licensed to distribute the drug or
44 15 device to that purchaser or recipient.
44 16 11. Selling or transferring a drug or device to a
44 17 person who is not authorized under the law of the
44 18 jurisdiction in which the person receives the drug or
44 19 device to purchase or possess the drug or device from
44 20 the person selling or transferring the drug or device.
44 21 12. Failing to maintain or provide records as
44 22 required by this chapter, chapter 124, or rules of the
44 23 board.
44 24 13. Providing the board or any of its
44 25 representatives or any state or federal official with
44 26 false or fraudulent records or making false or
44 27 fraudulent statements regarding any matter within the
44 28 scope of this chapter, chapter 124, or rules of the
44 29 board.
44 30 14. Distributing at wholesale any drug or device

44 31 that meets any of the following conditions:
44 32 a. The drug or device was purchased by a public or
44 33 private hospital or other health care entity.
44 34 b. The drug or device was donated or supplied at a
44 35 reduced price to a charitable organization.
44 36 c. The drug or device was purchased from a person
44 37 not licensed to distribute the drug or device.
44 38 d. The drug or device was stolen or obtained by
44 39 fraud or deceit.
44 40 15. Failing to obtain a license or operating
44 41 without a valid license when a license is required
44 42 pursuant to this chapter or chapter 147.
44 43 16. Engaging in misrepresentation or fraud in the
44 44 distribution of a drug or device.
44 45 17. Distributing a drug or device to a patient
44 46 without a prescription drug order or medication order
44 47 from a practitioner licensed by law to use or
44 48 prescribe the drug or device.
44 49 18. Distributing a drug or device that was
44 50 previously dispensed by a pharmacy or distributed by a
45 1 practitioner except as provided by rules of the board.
45 2 19. Failing to report any prohibited act.
45 3 Information communicated to a physician in an
45 4 unlawful effort to procure a prescription drug or
45 5 device or to procure the administration of a
45 6 prescription drug shall not be deemed a privileged
45 7 communication.
45 8 Subsections 6 and 7 shall not apply to the
45 9 wholesale distribution by a manufacturer of a
45 10 prescription drug or device that has been delivered
45 11 into commerce pursuant to an application approved by
45 12 the federal food and drug administration.
45 13 Sec. _____. Section 155A.24, Code 2005, is amended
45 14 to read as follows:
45 15 155A.24 PENALTIES.
45 16 1. Except as otherwise provided in this section,
45 17 a person who violates a provision of section 155A.23
45 18 or who sells or offers for sale, gives away, or
45 19 administers to another person any prescription drug or
45 20 device in violation of this chapter commits a public
45 21 offense and shall be punished as follows:
45 22 a. If the prescription drug is a controlled
45 23 substance, the person shall be punished pursuant to
45 24 ~~section 124.401, subsection 1, and section 124.411~~
45 25 ~~chapter 124, division IV.~~
45 26 b. If the prescription drug is not a controlled
45 27 substance, the person, upon conviction of a first
45 28 offense, is guilty of a serious misdemeanor. For a
45 29 second offense, or if in case of a first offense the
45 30 offender previously has been convicted of any
45 31 violation of the laws of the United States or of any
45 32 state, territory, or district thereof relating to
45 33 prescription drugs or devices, the offender is guilty
45 34 of an aggravated misdemeanor. For a third or
45 35 subsequent offense or if in the case of a second
45 36 offense the offender previously has been convicted two
45 37 or more times in the aggregate of any violation of the
45 38 laws of the United States or of any state, territory,
45 39 or district thereof relating to prescription drugs or
45 40 devices, the offender is guilty of a class "D" felony.
45 41 2. A person who violates any provision of this
45 42 chapter by selling, giving away, or administering any
45 43 prescription drug or device to a minor is guilty of a
45 44 class "C" felony.
45 45 3. A wholesaler who, with intent to defraud or
45 46 deceive, fails to deliver to another person, when
45 47 required by rules of the board, complete and accurate
45 48 pedigree concerning a drug prior to transferring the
45 49 drug to another person is guilty of a class "C"
45 50 felony.
46 1 4. A wholesaler who, with intent to defraud or
46 2 deceive, fails to acquire, when required by rules of
46 3 the board, complete and accurate pedigree concerning a
46 4 drug prior to obtaining the drug from another person
46 5 is guilty of a class "C" felony.
46 6 5. A wholesaler who knowingly destroys, alters,
46 7 conceals, or fails to maintain, as required by rules
46 8 of the board, complete and accurate pedigree
46 9 concerning any drug in the person's possession is
46 10 guilty of a class "C" felony.
46 11 6. A wholesaler who is in possession of pedigree

46 12 documents required by rules of the board, and who
46 13 knowingly fails to authenticate the matters contained
46 14 in the documents as required, and who nevertheless
46 15 distributes or attempts to further distribute drugs is
46 16 guilty of a class "C" felony.
46 17 7. A wholesaler who, with intent to defraud or
46 18 deceive, falsely swears or certifies that the person
46 19 has authenticated any documents related to the
46 20 wholesale distribution of drugs or devices is guilty
46 21 of a class "C" felony.
46 22 8. A wholesaler who knowingly forges,
46 23 counterfeits, or falsely creates any pedigree, who
46 24 falsely represents any factual matter contained in any
46 25 pedigree, or who knowingly omits to record material
46 26 information required to be recorded in a pedigree is
46 27 guilty of a class "C" felony.
46 28 9. A wholesaler who knowingly purchases or
46 29 receives drugs or devices from a person not authorized
46 30 to distribute drugs or devices in wholesale
46 31 distribution is guilty of a class "C" felony.
46 32 10. A wholesaler who knowingly sells, barter,
46 33 brokers, or transfers a drug or device to a person not
46 34 authorized to purchase the drug or device under the
46 35 jurisdiction in which the person receives the drug or
46 36 device in a wholesale distribution is guilty of a
46 37 class "C" felony.
46 38 11. A person who knowingly manufacturers, sells,
46 39 or delivers, or who possesses with intent to sell or
46 40 deliver, a counterfeit, misbranded, or adulterated
46 41 drug or device is guilty of the following:
46 42 a. If the person manufactures or produces a
46 43 counterfeit, misbranded, or adulterated drug or
46 44 device; or if the quantity of a counterfeit,
46 45 misbranded, or adulterated drug or device being sold,
46 46 delivered, or possessed with intent to sell or deliver
46 47 exceeds one thousand units or dosages; or if the
46 48 violation is a third or subsequent violation of this
46 49 subsection, the person is guilty of a class "C"
46 50 felony.
47 1 b. If the quantity of a counterfeit, misbranded,
47 2 or adulterated drug or device being sold, delivered,
47 3 or possessed with intent to sell or deliver exceeds
47 4 one hundred units or dosages but does not exceed one
47 5 thousand units or dosages; or if the violation is a
47 6 second or subsequent violation of this subsection, the
47 7 person is guilty of a class "D" felony.
47 8 c. All other violations of this subsection shall
47 9 constitute an aggravated misdemeanor.
47 10 12. A person who knowingly forges, counterfeits,
47 11 or falsely creates any label for a drug or device or
47 12 who falsely represents any factual matter contained on
47 13 any label of a drug or device is guilty of a class "C"
47 14 felony.
47 15 13. A person who knowingly possesses, purchases,
47 16 or brings into the state a counterfeit, misbranded, or
47 17 adulterated drug or device is guilty of the following:
47 18 a. If the quantity of a counterfeit, misbranded,
47 19 or adulterated drug or device being possessed,
47 20 purchased, or brought into the state exceeds one
47 21 hundred units or dosages; or if the violation is a
47 22 second or subsequent violation of this subsection, the
47 23 person is guilty of a class "D" felony.
47 24 b. All other violations of this subsection shall
47 25 constitute an aggravated misdemeanor.
47 26 14. This section does not prevent a licensed
47 27 practitioner of medicine, dentistry, podiatry,
47 28 nursing, veterinary medicine, optometry, or pharmacy
47 29 from acts necessary in the ethical and legal
47 30 performance of the practitioner's profession.
47 31 15. Subsections 1 and 2 shall not apply to a
47 32 parent or legal guardian administering, in good faith,
47 33 a prescription drug or device to a child of the parent
47 34 or a child for whom the individual is designated a
47 35 legal guardian.
47 36 Sec. _____. NEW SECTION. 155A.40 CRIMINAL HISTORY
47 37 RECORD CHECKS.
47 38 1. The board may request and obtain,
47 39 notwithstanding section 692.2, subsection 5, criminal
47 40 history data for any applicant for an initial or
47 41 renewal license or registration issued pursuant to
47 42 this chapter or chapter 147, any applicant for

47 43 reinstatement of a license or registration issued
47 44 pursuant to this chapter or chapter 147, or any
47 45 licensee or registrant who is being monitored as a
47 46 result of a board order or agreement resolving an
47 47 administrative disciplinary action, for the purpose of
47 48 evaluating the applicant's, licensee's, or
47 49 registrant's eligibility for licensure, registration,
47 50 or suitability for continued practice of the
48 1 profession. Criminal history data may be requested
48 2 for all owners, managers, and principal employees of a
48 3 pharmacy or drug wholesaler licensed pursuant to this
48 4 chapter. The board shall adopt rules pursuant to
48 5 chapter 17A to implement this section. The board
48 6 shall inform the applicant, licensee, or registrant of
48 7 the criminal history requirement and obtain a signed
48 8 waiver from the applicant, licensee, or registrant
48 9 prior to submitting a criminal history data request.

48 10 2. A request for criminal history data shall be
48 11 submitted to the department of public safety, division
48 12 of criminal investigation and bureau of
48 13 identification, pursuant to section 692.2, subsection
48 14 1. The board may also require such applicants,
48 15 licensees, and registrants to provide a full set of
48 16 fingerprints, in a form and manner prescribed by the
48 17 board. Such fingerprints may be submitted to the
48 18 federal bureau of investigation through the state
48 19 criminal history repository for a national criminal
48 20 history check. The board may authorize alternate
48 21 methods or sources for obtaining criminal history
48 22 record information. The board may, in addition to any
48 23 other fees, charge and collect such amounts as may be
48 24 incurred by the board, the department of public
48 25 safety, or the federal bureau of investigation in
48 26 obtaining criminal history information. Amounts
48 27 collected shall be considered repayment receipts as
48 28 defined in section 8.2.

48 29 3. Criminal history information relating to an
48 30 applicant, licensee, or registrant obtained by the
48 31 board pursuant to this section is confidential. The
48 32 board may, however, use such information in a license
48 33 or registration denial proceeding. In a disciplinary
48 34 proceeding, such information shall constitute
48 35 investigative information under section 272C.6,
48 36 subsection 4, and may be used only for purposes
48 37 consistent with that section.

48 38 4. This section shall not apply to a manufacturer
48 39 of a prescription drug or device that has been
48 40 delivered into commerce pursuant to an application
48 41 approved by the federal food and drug administration.

48 42 Sec. ____ NEW SECTION. 155A.41 CONTINUOUS
48 43 QUALITY IMPROVEMENT PROGRAM.

48 44 1. Each licensed pharmacy shall implement or
48 45 participate in a continuous quality improvement
48 46 program to review pharmacy procedures in order to
48 47 identify methods for addressing pharmacy medication
48 48 errors and for improving patient use of medications
48 49 and patient care services. Under the program, each
48 50 pharmacy shall assess its practices and identify areas
49 1 for quality improvement.

49 2 2. The board shall adopt rules for the
49 3 administration of a continuous quality improvement
49 4 program. The rules shall address all of the
49 5 following:

49 6 a. Program requirements and procedures.
49 7 b. Program record and reporting requirements.
49 8 c. Any other provisions necessary for the
49 9 administration of a program.>

49 10 #45. Title page, line 1, by inserting after the
49 11 word <Act> the following: <relating to state and
49 12 local finances by providing for tax exemptions,
49 13 credits, tax credit transfers, and other tax-related
49 14 matters and by>.

49 15 #46. Title page, line 2, by inserting after the
49 16 word <matters> the following: <and penalties>

49 17 #47. Title page, line 2, by inserting after the
49 18 word <fees,> the following: <providing for the
49 19 generation and purchase of and tax credits for
49 20 renewable energy,>.

49 21 #48. By renumbering, relettering, or redesignating
49 22 and correcting internal references as necessary.
49 23 HF 882.S

49 24 mg/cc/26

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